

REPORT
ON
SURVEY OF LABOUR CONDITIONS
IN
FINE AND PHARMACEUTICAL CHEMICAL
FACTORIES IN INDIA
(1965-66)



LABOUR BUREAU
MINISTRY OF LABOUR, EMPLOYMENT & REHABILITATION
(DEPARTMENT OF LABOUR & EMPLOYMENT)
GOVERNMENT OF INDIA

PUBLISHED REPORTS ON SURVEY OF LABOUR CONDITIONS

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PREFACE

Ever since India entered the industrial field over a century ago, the industrial labour in the country and its problems have been the subject of interest. From earlier emphasis on prevention of exploitation of labour, the interest has now shifted to providing them a fair deal and fuller opportunities. Surveys that bring out true conditions of labour provide a sound base to the present day approach to problems of labour in India in the context of planned economic development of the country.

A detailed survey on a country-wide basis of the working and living conditions of industrial labour was conducted by the Labour Investigation Committee appointed by the Government of India in 1944. The years that followed witnessed far-reaching changes in the set-up of the country, its basic policies and national objectives. As a result, the well-being of the working class came to be recognised as an essential factor in the long term strategy for industrial advance and in the overall economic stability and progress of the country. The adoption of this policy has brought about a new awakening in the ranks of labour and has afforded them much relief in various directions through legislation and other measures.

In order to assess the impact of these measures on the industrial labour and to make an appraisal of their present conditions, a scheme for a comprehensive Survey of Labour Conditions was incorporated in the Second Five Year Plan. Its execution was entrusted to the Labour Bureau. The Survey was conducted according to a phased programme in 46 industries. This Report presents data regarding the Fine and Pharmaceutical Chemical Factories covered under the Scheme during 1965-66.

The present Survey differs considerably from similar investigations in the past in matters of design, scope and presentation of data. It has also certain distinguishing features. For example, it furnishes data separately for large and small establishments in various industries, makes a limited study of labour cost in relation to the benefits and amenities that the workers now enjoy and provides first-hand information on certain important aspects of labour management relations. Attempt has also been made to collect and interpret data on certain conventional items in a more meaningful way. In the presentation of the data, the effort has been to reduce the information into quantitative terms so as to serve as a bench-mark for purposes of evaluation of changes at a future date. Recourse to general description has been resorted to only where the other type of treatment was not possible.

In a Survey of this magnitude, it was but natural that many problems had to be faced both in planning as well as execution. Most of these flowed from non-availability of up-to-date frames and absence or improper maintenance of records in many establishments. In many cases, the field staff had almost to build up the required statistics from various sources. This naturally imposed a heavy demand on the industrial managements canvassed and the Bureau is deeply indebted to them for their whole-hearted co-operation. The co-operation and valuable assistance received from associations of employers and workers, Labour Commissioners as well as Chief Inspectors of Factories and other officials of State Labour Departments is also gratefully acknowledged.

The debt of gratitude that I owe to the Central Statistical Organisation and the Chief Adviser of Factories for evincing keen interest in the Survey and rendering technical advice on various matters is indeed great. I am also thankful to the Employment Division of the Planning Commission for examining the Schedule and Instructions and offering useful suggestions. I am equally grateful to the Bureau of Labour Statistics, U.S.A., Social Survey Division, Ministry of Labour and Social Service, U.K., Economics and Research Branch, Department of Labour, Canada, and Labour Statistics and Research Division, Ministry of Labour, Japan, whose advice was sought on several technical matters.

The primary responsibility for conducting the present round (fourth and final) of the survey was ably borne by Dr. J.N. Mongia, Deputy Director, who gave full weight of his experience to this assignment, on various statistical problems arising out of the Survey, the requisite technical advice was provided to him by other officers of the Bureau.

The preliminary draft of the Report was prepared by S/Shri P.T. Deshpande and Onkar Nath Misra, Investigators Grade I, and was finalised by Dr. J. N. Mongia, Deputy Director, with the assistance of Shri H.B.L. Bhatnagar, Assistant Director, who was also responsible for supervision of manual tabulation of data. The contribution made by Shri Onkar Nath Misra, Investigator Grade I, in finalising the Report also deserves mention. Shri Harbans Lal, Deputy Director has also made sizeable contribution in finalisation of the report and improving its utility by providing a Statement of Salient Features towards the end. Part of the data relating to Survey of Labour Conditions in industries covered during the fourth round (1965-66) was, for the first time, tabulated by Machine Tabulation Unit of the Labour Bureau under the supervision of Shri Subir Kumar Gupta, Assistant Director, Sarvashri Mohan Lal and D.D. Verma, Computers, assisted in computation of data. The field investigations were carried out by Sarvashri R. N. Tewari, V.K. Lohumi, R.K. Pillay, George Jacob, R.L. Khosla, K.N. Upadhyay, A.S. Parmar, L.D. Khanna, L.K. Kanuga, Khajan Singh, G.S. Kochar, Harjinder Singh, Harish Prakash, R.K. Bhargava and Subhash Chandra Luthra under the supervision of Sarvashri Mahesh Chandra, P.T. Deshpande, B.S. Bhola and R.N. Mondal. To all these I am deeply thankful.

The views expressed in this Report are not necessarily those of the Ministry of Labour, Employment and Rehabilitation (Department of Labour and Employment), Government of India.

K. K. BHATIA
Director

LABOUR BUREAU, SIMLA.

Dated the 10th April, 1968,

CHAPTER 1

INTRODUCTION

The Fine and Pharmaceutical Chemicals Industry is now pretty well established in India and is producing a wide range of pharmaceutical products. Hitherto, the manufacture of a large number of drugs and pharmaceuticals was dependent on imported raw materials and intermediates. But now, the pattern is rapidly changing, and India has embarked upon an extensive programme of producing the basic raw materials and intermediates within the country, so that dependence on imported raw material is reduced considerably. Internationally, our country now measures up to the high and exacting standards of technology demanded of an industry of this nature. Drugs and pharmaceuticals are exported mainly to the neighbouring countries. The main overseas markets are Burma, Ceylon, Pakistan, Malaya, Kenya, Congo, Saudi Arabia, Singapore, Nepal, Kuwait, Afghanistan, Mauritius and Ghana. Some of the items like alkaloid cocaine, caffeine, quinine and alkaloid salt are exported in sizeable quantities to U.K., U.S.A. and Canada also which are potential exporters of drugs. Exports which stood at Rs. 0·8 crores in 1958 increased to Rs. 2·5 crores in 1965.

1·1. Growth and Location of the Industry

The development of the pharmaceuticals industry was initially very slow. The outbreak of the Second World War almost coincided with the galloping progress of this industry, which started in 1935. In India, the progress made by this industry is largely due to international co-operation in the field of know-how and investment. The main source of knowledge for the production of newer drugs has been the results of the research carried out already by reputed international pharmaceutical companies in U.K., Europe and U.S.A. These companies have either established their factories in the country or have collaborated with Indian firms. During the past twenty-five years, the growth of this industry has been at a very fast rate whereas the last 15 years have witnessed a phenomenal growth of the industry. The pharmaceuticals industry has progressed from mere processing activities to the status of a major integrated industry in India.

A measure of progress is reflected in the achievements of this industry. In 1948, the value of pharmaceuticals manufactured indigenously was only Rs. 110 million. By 1958, indigenous production had touched the mark of Rs. 580 million. Since 1959 the tempo of increase has been still faster as will be evident from the value of pharmaceuticals manufactured in India, i.e., Rs. 600 million in 1959, Rs. 700 million in 1960, Rs. 870 million in 1961 and about Rs. 1,000 million in 1962. The production programme for drugs and pharmaceuticals in the draft Fourth Five Year Plan envisages an increase in the value of the output of drugs from Rs. 1,500 million in 1965-66 to Rs. 2,500 million by 1970-71. The fulfilment of these targets will take the country a long way towards self-sufficiency in drugs and pharmaceuticals and also provide substantial surplus for export.

Statement 1.1 gives details regarding the distribution of Fine and Pharmaceutical Chemical factories in various States during 1965.

STATEMENT 1.1

State-wise Distribution of Fine and Pharmaceutical Chemical Factories in India and Average Daily Employment therein During 1965

Serial No.	States					Number of Factories	Average Daily Employment
1	2					3	4
1	Andhra Pradesh	..	..	..	..	34 (7.5)	2,378 (5.5)
2	Bihar	..	..	..	..	9 (2.0)	493 (1.1)
3	Gujarat	..	..	..	..	35 (7.7)	7,318 (16.9)
4	Kerala	..	..	..	..	20 (4.4)	736 (1.7)
5	Jammu and Kashmir	..	..	..	..	5 (1.1)	135 (0.3)
6	Madhya Pradesh	..	..	..	..	14 (3.1)	550 (1.3)
7	Madras	..	..	..	..	29 (6.4)	1,807 (4.2)
8	Maharashtra	..	..	..	..	135 (29.7)	15,574 (36.0)
9	Mysore	..	..	..	..	12 (2.6)	674 (1.6)
10	Orissa	..	..	..	..	4 (0.9)	161 (0.4)
11	Punjab	..	..	..	..	16 (3.5)	853 (2.0)
12	Rajasthan	..	..	..	..	7 (1.5)	342 (0.8)
13	Uttar Pradesh	..	..	..	..	51 (11.2)	2,398 (5.5)
14	West Bengal	..	..	..	..	67 (14.7)	8,913 (20.6)
15	Delhi	..	..	..	..	16 (3.5)	881 (2.0)
16	Himachal Pradesh	..	..	..	..	1 (0.2)	27 (0.1)
Grand Total					..	455 (100.0)	43,240 (100.0)

NOTE : Figures shown in brackets are percentages to totals.

SOURCE : Returns received under the Factories Act, 1948 for the year 1965.

It will be seen from the Statement that the Industry was scattered almost throughout the country. However, the largest concentration of the factories was in Maharashtra State which accounted for about 30 per cent. of the factories

and about 36 per cent. of the employment in the Industry, as a whole. From the employment point of view, West Bengal was the next important State, followed by Gujarat. These three States together accounted for about 52 per cent. of the factories and 71 per cent. of the total working force.

1.2. Genesis of the Survey

The first comprehensive survey of conditions of labour in various industries in India on a countrywide basis was conducted by the Royal Commission on Labour during 1929-31. On the basis of its report and findings, various ameliorative measures were introduced by the Government in the field of labour. After a lapse of over a decade, *i.e.*, in 1944, the Government of India appointed another Committee, *viz.*, the Labour Investigation Committee, to enquire into the conditions of labour in all important industries. The Committee conducted detailed investigations in 38 industries during 1944-45 and, besides a main report on labour conditions in general, published individual reports in respect of various industries. These reports provided valuable material for the formulation of labour policy. The years that followed witnessed many changes of far-reaching significance. For instance, many legislative measures were adopted to improve working and living conditions and several schemes were enforced for promoting welfare and social security of workers. The setting up of the adjudication machinery also led to improvement in the conditions of work and wages in various industries. Above all, the attainment of Independence by the country in 1947 gave a new status to the working classes. With a view to evaluating and assessing the effects of the various measures adopted, the Ministry of Labour and Employment as well as the Planning Commission considered it necessary that a fresh comprehensive survey of labour conditions in various industries should be conducted. Such a survey, it was felt, would also help the Government in obtaining a precise picture of the existing conditions and problems of labour for purposes of deciding the future course of action. Accordingly, a scheme for the conduct of a Survey of Labour Conditions was included in the Second Five Year Plan and the Labour Bureau was entrusted with its execution. The scheme drawn up by the Bureau envisaged to cover 46 industries according to a phased programme in four rounds. The Fine and Pharmaceutical Chemicals Industry was not covered as a separate industry by the Labour Investigation Committee during 1944-45, presumably because this industry was not an important one at that time. However, since the industry has developed significantly now and employs about 43 thousand workers, it was considered desirable to include it in the scope of the present Survey. As such, Fine and Pharmaceutical Chemicals Industry was covered as one of the 18 industries during the fourth round of the Survey of Labour Conditions.

1.3. Scope and Design

A note given in the Appendix of this Report contains details relating to the sample design and method of estimation adopted for this Survey. The Survey was confined to Fine and Pharmaceutical Chemical factories registered under the Factories Act, 1948. The list of registered factories for the year 1963, which was used as the frame (except in case of Andhra Pradesh and Maharashtra for which the list related to the year 1962), indicated a particularly heavy con-

centration of the Fine and Pharmaceutical Chemical factories in the States of Maharashtra and West Bengal and in these two States, the cities of Bombay and Calcutta and areas adjacent to these cities *i.e.*, their suburbs *etc.*, accounted for a large number of factories. It was considered desirable to plan the Survey in such a manner that separate estimates become available for each centre of concentration. 'Calcutta and 24 Parganas', 'Rest of West Bengal', 'Bombay' and 'Rest of Maharashtra' were, therefore, treated as separate centres. All other factories scattered in the remaining States, except Jammu and Kashmir where the Survey was not conducted due to the unsettled conditions in the State, were clubbed together to form the 'Residual Group'.

Earlier investigations had indicated the existence of wide variations in conditions of work, standards of welfare and amenities, *etc.*, in the establishments of different size groups in various industries. It was, therefore, considered desirable to collect data separately for establishments of different sizes. Accordingly, it was decided that for the purpose of the Survey, Fine and Pharmaceutical Chemical factories may be divided into two size groups *i.e.*, large and small. For this purpose, the cut-off point chosen was 95 which was approximately equal to the average size of employment per factory. As regards the sample size, 25 per cent. of the large size and 12·5 per cent. of the small size units were considered to be adequate to yield reliable results. However, in the course of the Occupational Wage Survey 1958-59 conducted by the Bureau, it was noticed that a large number of sampled units could not be canvassed. In order to safeguard against the possible shrinkage of the sample size due to above mentioned contingencies, the sample size was enlarged in the light of above experience and on the basis of a study of closures for the past few years as revealed by the annual list of registered Fine and Pharmaceutical Chemical factories. The sampling fraction ultimately adopted was 25 per cent. for large factories and 15 per cent. for small factories. Statement 1·2 shows the number of factories together with the number of workers employed therein (a) in the frame (b) in the sample and (c) in the sample actually covered.

STATEMENT 1·2

Number of Fine and Pharmaceutical Chemical Factories and Workers Employed therein, in the Frame, Sample, etc.

Centre	In the Frame*		In the Sample Selected		In the Sample Ultimately Covered	
	No. of Factories	No. of Workers Employed	No. of Factories	No. of Workers Employed	No. of Factories	No. of Workers Employed
1	2	3	4	5	6	7
1. Calcutta and 24 Parganas	52	7,133	11	1,410	11 (21·15)	1,410 (19·77)
Large Factories	15	5,761	4	1,135	4 (26·67)	1,135 (19·70)
Small Factories	37	1,372	7	275	7 (18·92)	275 (20·04)

STATEMENT 1·2 *contd.*

1	2	3	4	5	6	7
2. Rest of West Bengal	7	976	4	716	4	716
Large Factories	3	819	2	659	(57·14)	(73·36)
Small Factories	4	157	2	57	(66·67)	(80·46)
3. Bombay	89	8,699	17	1,609	(50·00)	(36·31)
Large Factories	21	5,980	5	1,008	(17·98)	(18·27)
Small Factories	68	2,719	12	511	(23·81)	(18·36)
4. Rest of Maharashtra	24	3,526	5	448	(16·18)	(18·06)
Large Factories	10	2,946	2	356	(20·83)	(12·71)
Small Factories	14	580	3	92	(20·00)	(12·08)
5. Residual	195	15,199	27	3,078	(21·43)	(15·86)
Large Factories	32	10,136	7	2,483	(12·82)	(18·16)
Small Factories	163	5,063	20	595	(18·75)	(21·50)
6. All India	367	35,523	64	7,261	(11·66)	(11·48)
Large Factories	81	25,642	20	5,731	(16·62)	(19·48)
Small Factories	286	9,891	44	1,530	(23·16)	(21·16)
			(15·38)		(11·68)	(15·12)

NOTE: Figures within brackets in Cols. 6 and 7 are percentages to total number of factories and workers as given in Cols. 2 and 3 respectively.

*The frame relates to the list of factories for the year 1963 except Maharashtra and Andhra Pradesh for which the latest available lists were used.

From the figures given in the Statement (1·2) it would be seen that about 17 per cent. of the Fine and Pharmaceutical Chemical factories and about 19 per cent. of the workers employed therein were ultimately covered by the Survey. Since only those factories came in the sample which featured in the frame and as it was not possible to take account of new factories which came into being up to and during the period of the Survey, the information given in this report should be treated as relating to the factories which were in existence during the period to which the frame related (*i.e.*, generally 1963) and which continued to exist till the time of the Survey.

The data for the Survey were collected by the field staff of the Labour Bureau by personal visits to the sampled establishments. With a view to testing the schedule and instructions prepared for the Survey as also to impart practical training to the field staff, a pilot enquiry was conducted in September-October, 1959, before taking up the first round of the main Survey of Labour Conditions Scheme in December, 1959. On the basis of the experience gained in the pilot enquiry, the schedule and instructions were suitably revised. However, the schedule used for collection of the required information in the fourth round differed from that used in the earlier three rounds. Since the information

pertaining to absenteeism, labour turnover, pay periods and earnings was already being collected under other schemes of the Bureau *viz.*, Occupational Wage Survey, Annual Survey of Industries *etc.*, it was decided not to collect such information under the fourth round of the Survey of Labour Conditions Scheme and hence the schedule* was revised accordingly. Some minor changes in the block relating to Works Committees were also carried out.

The field investigations were launched in April, 1965 and completed in February, 1966. Hence, the information collected, except where specifically mentioned, should be treated to relate to this period, *i.e.* 1965-66.

*The Schedule used for the Survey has been published in the report relating to the Artificial Manures Industry.

CHAPTER II

EMPLOYMENT

Fine and Pharmaceutical Chemicals Industry is one of the largest industries in India. Its richness in employment potential is amply evidenced by its remarkable growth and expansion in recent years. The Labour Investigation Committee, which had investigated this industry along with other allied Chemical Industries, had taken note of the remarkable progress made by the Industry during the Second World War period. The Industry continued to make rapid strides and between 1956 and 1965, the number of factories in this Industry rose from 221 to 455 and employment from about 19,000 to nearly 13,000.

2.1. Composition of the Working Force

During the course of the present Survey, in order to ensure comparability, the data in respect of employment were collected from different sampled establishments for a fixed date i.e., 31st March, 1965. On the basis of these data, it is estimated that the total employment strength of the Fine and Pharmaceutical Chemical factories, registered under the Factories Act, 1948, was 62,609 on the above date. This estimate, however, differs from similar figures collected under the Factories Act, 1948, i.e., 13,210, for the year 1965. The main reason for the difference between the two sets of figures is that whereas the former represents the estimate based on the actual number of persons on roll on a particular date, the latter shows the average daily employment for the whole year. Besides, while the former includes even those employees who, though employed in registered factories, were deemed to be 'not covered' under the Factories Act, 1948, the latter figure does not take such employees into account.

2.1.1. Distribution by Broad Occupational Groups

For the purposes of the present Survey, the internationally accepted classification* of employees was followed, and accordingly they were classified into the following categories:

- (a) Professional, Technical and Related Personnel.
- (b) Administrative, Executive and Managerial Personnel.
- (c) Clerical and Related Workers (including Supervisory).
- (d) Production and Related Workers (including Supervisory).
- (e) Watch and Ward and Other Services.

Based on the above classification, the percentage of workers in different occupational groups is given in Statement 2.1.

*International Standard Classification of Occupations.

STATEMENT 2.1

Estimated Percentage Distribution of Workers by Broad Occupational Groups in the Fine and Pharmaceutical Chemicals Industry*

(31st March, 1965)

Centre	Total Number of Workers	Estimated percentage of Workers				
		Professional, Technical and Related Personnel	Administrative, Executive and Managerial Personnel	Clerical and Related Workers (Including Supervisory)	Production and Related Workers (including Supervisory)	Watch and Ward and Other Services
1	2	3	4	5	6	7
1. Calcutta and 24 Paraganas ..	10,012	3.9	0.8	12.7	73.5	9.1
Large Factories ..	7,522	2.8	0.5	10.2	78.1	8.4
Small Factories ..	2,520	7.2	1.6	20.1	60.0	11.1
2. Rest of West Bengal ..	1,257	3.7	0.9	5.7	82.9	6.8
Large Factories ..	974	4.2	0.4	6.3	81.5	7.6
Small Factories ..	283	1.8	2.8	3.9	87.6	3.9
3. Bombay ..	22,480	7.2	2.6	13.9	67.1	9.2
Large Factories ..	19,186	6.1	2.4	14.2	67.2	10.1
Small Factories ..	3,294	13.9	3.2	12.1	66.5	4.3
4. Rest of Maharashtra ..	4,919	2.5	3.4	11.3	75.5	7.3
Large Factories ..	4,249	2.0	3.2	11.1	75.9	7.8
Small Factories ..	670	5.4	4.5	12.5	73.1	4.5
5. Residual ..	23,911	11.2	1.8	9.7	72.9	4.1
Large Factories ..	16,143	12.4	1.1	8.3	74.5	3.7
Small Factories ..	7,768	8.7	3.3	12.5	69.8	5.7
6. All India ..	62,609	7.8	2.0	11.7	71.3	7.2
Large Factories ..	48,071	7.3	1.7	11.2	72.4	7.4
Small Factories ..	14,535	9.3	3.0	13.6	67.9	6.2

*'Covered' as well as 'Not Covered' under the Factories Act, 1948.

The Statement shows that an overwhelming majority of the working force (about 71 per cent. of the total) belonged to the group "Production and Related Workers (including Supervisory)". Barring "Rest of West Bengal", where the percentage of this group was found to be quite high (approximately 83 per cent.), in other centres it ranged between 67 and 76. 'Clerical and Related Workers (including Supervisory)' constituted the next important group with approximately 12 per cent. of the total employment, followed by 'Professional, Technical and Related Personnel' (about 8 per cent.). Workers in the group 'Watch and Ward and Other Services' accounted for about 7 per cent. of the total working force at the Industry level.

2.1.2. Distribution of Workers by 'Covered' and 'Not Covered' under the Factories Act, 1948

According to the Factories Act, 1948, a worker has been defined as a "person employed directly or through any agency, whether for wages or not, in any manufacturing process, or in cleaning any part of the machinery or premises

used for manufacturing process, or in any other kind of work incidental to, or connected with, the manufacturing process, or the subject of manufacturing process." It was, however, observed during the course of the Survey that there was no uniformity with regard to the interpretation of the above definition of "worker" and consequently, while some units had included certain categories of workers among those covered under the Factories Act, 1948, others tended to exclude them. Such workers as were 'not covered' under the Factories Act, 1948, formed about 10 per cent. of the total estimated employment. Details of workers 'covered' and 'not covered' under the Factories Act, 1948 in different broad occupational groups are given in Statement 2·2.

STATEMENT 2·2

Estimated Percentage Distribution of Workers by 'Covered' and 'Not Covered' under the Factories Act, 1948 in the Fine and Pharmaceutical Chemicals Industry

(31st March, 1965)

Centre	Professional, Technical and Related Personnel		Administrative, Executive and Managerial Personnel		Clerical and Related Workers (including Supervisory)	
	Covered		Covered		Covered	
	Not Covered		Not Covered		Not Covered	
1	2	3	4	5	6	7
1. Calcutta and 24 Parganas ..	90·0	10·0	66·7	33·3	36·6	63·4
Large Factories ..	100·0	—	86·1	13·9	45·4	54·6
Small Factories ..	78·6	21·4	48·7	51·3	23·3	76·7
2. Rest of West Bengal ..	69·6	30·4	66·7	33·3	83·3	16·7
Large Factories ..	65·9	34·1	—	100·0	80·3	19·7
Small Factories ..	100·0	—	100·0	—	100·0	—
3. Bombay ..	79·1	20·9	61·1	38·9	90·0	10·0
Large Factories ..	84·3	15·7	68·5	31·5	91·6	9·4
Small Factories ..	65·9	34·1	28·6	71·4	83·8	16·2
4. Rest of Maharashtra ..	100·0	—	84·9	15·1	100·0	—
Large Factories ..	100·0	—	91·9	8·1	100·0	—
Small Factories ..	100·0	—	40·0	60·0	100·0	—
5. Residual ..	24·7	75·3	29·5	70·5	49·5	50·5
Large Factories ..	9·8	90·2	24·2	75·8	42·9	57·1
Small Factories ..	69·2	30·8	33·2	66·8	58·5	41·5
6. All India ..	50·5	49·5	53·6	46·4	68·7	31·3
Large Factories ..	42·9	57·1	63·5	36·5	73·1	26·9
Small Factories ..	70·3	29·7	35·1	64·9	56·6	43·4

STATEMENT 2·2—*contd.*

Centre	Production and Related Workers (including Supervisory)		Watch and Ward and Other Services		Total	
	Covered	Not Covered	Covered	Not Covered	Covered	Not Covered
1	8	9	10	11	12	13
1. Calcutta and 24 Parganas ..	100·0	—	59·4	40·6	87·6	12·4
Large Factories ..	100·0	—	64·8	35·2	91·4	8·6
Small Factories ..	100·0	—	47·6	52·4	76·2	23·8
2. Rest of West Bengal ..	97·7	2·3	55·3	44·7	92·7	7·3
Large Factories ..	97·0	3·0	48·6	51·4	90·6	9·4
Small Factories ..	100·0	—	100·0	—	100·0	—
3. Bombay ..	100·0	—	86·6	13·4	94·9	5·1
Large Factories ..	100·0	—	85·6	14·4	95·6	4·4
Small Factories ..	100·0	—	100·0	—	91·0	9·0
4. Rest of Maharashtra ..	100·0	—	100·0	—	99·5	0·5
Large Factories ..	100·0	—	100·0	—	99·8	0·2
Small Factories ..	100·0	—	100·0	—	97·3	2·7
5. Residual ..	99·1	0·9	85·4	14·6	84·1	15·9
Large Factories ..	100·0	—	94·9	5·1	83·1	16·9
Small Factories ..	97·0	3·0	72·5	27·5	86·2	13·8
6. All India ..	99·6	0·4	81·2	18·8	89·9	10·1
Large Factories ..	99·9	0·1	84·1	15·9	91·0	9·0
Small Factories ..	98·3	1·7	70·1	29·9	86·1	13·6

There was generally not much difference of opinion in regard to 'Production and Related Workers (including Supervisory)' and almost all such workers were considered to be covered under the Factories Act, 1948, the percentage of such workers 'not covered' under the Factories Act, 1948, being negligible. Next to 'Production and Related Workers', the percentage of workers covered under the Factories Act, 1948, was the highest (81·2) in the category 'Watch and Ward and Other Services' and the lowest (50·5) in the category 'Professional, Technical and Related Personnel'. As between large and small factories, the percentage of employees considered to be 'covered' under the Factories Act, 1948, was more in large factories.

A further examination of the data has revealed that of the total number of about 56 thousand workers covered under the Act, about 4 per cent. belonged to the group 'Professional, Technical and Related Personnel', about 9 per cent. to the group 'Clerical and Related Workers', about 79 per cent. to 'Production and Related Workers' and about 7 per cent. to 'Watch and Ward and Other Services'. The proportion of 'Administrative, Executive and Managerial Personnel' was found to be about 1 per cent. Similarly, the break-up of the total number of about 6 thousand workers 'not covered' under the Act was about 38, 37, 3, 13 and 9 per cent. for the above-mentioned groups respectively.

2.2. Employment of Women

Employment of women in the Fine and Pharmaceutical Chemicals Industry is not uncommon. Almost half of the factories surveyed were found to be employing female labour although the number of such workers was quite small, i.e., about 10 per cent. of the total workers employed in the Industry. The percentage of women employed to the total working force was the highest (about 24) in 'Bombay' and the lowest (almost negligible) in 'Calcutta and 24 Parganas'. The estimates, based upon the results of the Survey, regarding the employment strength of women workers and the factories employing them are presented in Statement 2.3.

STATEMENT 2.3

Estimated Proportion of Women Workers in the Fine and Pharmaceutical Chemicals Industry

(31st March, 1965)

Centre	Total Number of Factories†	Percentage of Factories Employing Women	Total Number of Workers*	Percentage of Women Workers to Total Number of Workers Employed	Percentage of Women Workers to the Total Number of Women Workers in the Industry
1	2	3	4	5	6
1. Calcutta and 24 Parganas	51	17.4	10,042	0.3	0.5
Large Factories	15	25.0	7,522	0.1	0.2
Small Factories	36	14.3	2,520	0.8	1.4
2. Rest of West Bengal	7	50.0	1,257	2.8	0.5
Large Factories	3	50.0	974	1.6	0.3
Small Factories	4	50.0	283	6.7	1.3
3. Bombay	81	72.6	22,480	23.5	80.8
Large Factories	20	100.0	19,186	25.2	94.9
Small Factories	61	63.6	3,294	13.6	30.9
4. Rest of Maharashtra	20	100.0	4,919	8.6	6.4
Large Factories	8	100.0	4,249	2.2	1.8
Small Factories	12	100.0	670	49.1	22.8
5. Residual	180	43.4	23,911	3.3	11.8
Large Factories	30	50.0	16,143	0.9	2.8
Small Factories	159	42.1	7,768	8.1	43.6
6. All India	348	49.8	62,609	10.5	100.0
Large Factories	76	63.5	48,074	10.6	100.0
Small Factories	272	45.9	14,535	9.9	100.0

*This number does not tally with the number of factories in Statement 1.2. The difference is due to the fact that certain factories were found closed at the time of Survey.

†Data relate to workers 'Covered' as well as 'Not Covered' under the Factories Act, 1948.
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About 85 per cent. of the women workers belonged to the occupational group 'Production and Related Workers', about 12 per cent. to 'Clerical and Related Workers' and the rest were in the groups 'Professional, Technical and Related Personnel, Watch and Ward and Other Services' and 'Administrative, Executive and Managerial Personnel'. As production workers, women were usually employed on light and delicate jobs such as packing, bottling, filling of injection tubes, *etc.* Those belonging to the category 'Professional, Technical and Related Personnel' were mainly employed as chemists, nurses, *etc.* As watch and ward employees, women workers were usually engaged on sweeping and cleaning the factory premises, stores, *etc.* No particular reasons for the employment of women were given by the employers except that women were preferred for certain jobs which were of a delicate nature and involved finger dexterity.

2.3. Child Labour

The total estimated employment of children in the Industry, as a whole was insignificant. Only one large factory located in 'Rest of West Bengal, (constituting even less than one per cent. of the Fine and Pharmaceutical Chemical factories in the country) was found employing child labour which formed a negligible proportion of the total working force in the Industry.

2.4. Time-rated and Piece-rated Workers

Though both the systems of payment *i.e.*, time rates and piece rates, were prevalent in the Industry, Statement 2.4 would indicate that payment by time predominated inasmuch as 97 per cent. of the production workers in the Industry were time-rated. The piece-rated workers, though very small in number, were employed in almost all the centres except 'Bombay'. The percentage of piece-rated workers to the total number of production workers was the highest (about 12) in 'Rest of Maharashtra', whereas in the other centres its percentage varied from about 1 in 'Rest of West Bengal' to 6 in 'Calcutta and 24 Parganas'. Since men constituted the overwhelming proportion of the working force, their distribution between time-rated and piece-rated was almost the same as for all production workers in all the centres. Women workers in the Industry were also found employed mostly on time rate basis except hardly 2 per cent. who were employed on piece rate basis. While in 'Calcutta and 24 Parganas', 'Rest of West Bengal', and 'Bombay', all the women workers were time-rated, the proportion of such workers in 'Rest of Maharashtra' and 'Residual Group' of factories was about 86 and 94 per cent. respectively. Children, who were found employed in only one large factory in 'Rest of West Bengal', were all time-rated.

STATEMENT 2.4

*Estimated Percentage Distribution of Production Workers in the
Fine and Pharmaceutical Chemicals Industry by Methods of Payment*
(31st March, 1965)

Centre	Total Number of Production Workers(a)	Percentage Distribution of Workers by Men, Women and Children and Method of Payment			
		Time- rated	Piece-rated	Men	
				Time- rated	Piece- rated
1	2	3	4	5	6
1. Calcutta and 24 Parganas	7,376	94.0	6.0	100.0	—
Large Factories	5,873	94.2	5.8	94.2	5.8
Small Factories	1,503	93.1	6.9	93.1	6.9
2. Rest of West Bengal	1,018	98.9	1.1	98.9	1.1
Large Factories	770	100.0	—	100.0	—
Small Factories	248	95.6	4.4	95.2	4.8
3. Bombay	15,085	100.0	—	100.0	—
Large Factories	12,895	100.0	—	100.0	—
Small Factories	2,190	100.0	—	100.0	—
4. Rest of Maharashtra	3,714	88.2	11.8	88.5	11.5
Large Factories	3,224	86.5	13.5	87.9	12.1
Small Factories	490	100.0	—	100.0	—
5. Residual	17,280	97.4	2.6	97.5	2.5
Large Factories	12,023	96.3	3.7	96.5	3.5
Small Factories	5,257	99.8	0.2	99.8	0.2
6. All India	44,473	97.0	3.0	96.8	3.2
Large Factories	34,785	96.5	3.5	96.3	3.7
Small Factories	9,688	98.7	1.3	98.6	1.4

Centre	Percentage Distribution of Workers by Men, Women and Children and Method of Payment			
	Women		Children	
	Time- rated	Piece- rated	Time- rated	Piece- rated
1	7	8	9	10
1. Calcutta and 24 Parganas	100.0	—	—	—
Large Factories	—	—	—	—
Small Factories	100.0	—	—	—
2. Rest of West Bengal	100.0	—	100.0	—
Large Factories	100.0	—	100.0	—
Small Factories	100.0	—	—	—
3. Bombay	100.0	—	—	—
Large Factories	100.0	—	—	—
Small Factories	100.0	—	—	—
4. Rest of Maharashtra	85.9	14.1	—	—
Large Factories	33.7	66.3	—	—
Small Factories	100.0	—	—	—
5. Residual	94.4	5.6	—	—
Large Factories	66.3	33.7	—	—
Small Factories	100.0	—	—	—
6. All India	98.5	1.5	100.0	—
Large Factories	98.1	1.9	100.0	—
Small Factories	100.0	—	—	—

@ 'Covered' under the Factories Act, 1948.

2.5. Contract Labour

The Survey has revealed that the practice of employing workers through contractors was not found common in this Industry as only one large factory located in the 'Residual Group', constituting about 1 per cent. of all the factories in the country, was employing contract workers. Their proportion in the Industry was not significant as they comprised 2.5 per cent. of the total number of 'Production and Related Workers'. Statement 2.5 gives details about employment of contract labour.

STATEMENT 2.5

Estimated Percentage of Factories Employing Contract Labour in the Fine and Pharmaceutical Chemicals Industry

(31st March, 1965)

Centre				Number of Factories	Percentage of Factories Employing Contract Labour	Total Number of Production Workers in the Industry*	Number of Production Workers Employed Through Contractors
1				2	3	4	5
1. Calcutta and 24 Parganas	..	..	..	51	—	7,376	—
Large Factories	..	..	..	15	—	5,873	—
Small Factories	..	..	..	36	—	1,503	—
2. Rest of West Bengal	..	..	..	7	—	1,018	—
Large Factories	..	..	..	3	—	770	—
Small Factories	..	..	..	4	—	248	—
3. Bombay	..	..	..	81	—	15,085	—
Large Factories	..	..	..	20	—	12,895	—
Small Factories	..	..	..	61	—	2,190	—
4. Rest of Maharashtra	..	..	..	20	—	3,714	—
Large Factories	..	..	..	8	—	8,224	—
Small Factories	..	..	..	12	—	490	—
5. Residual	..	..	..	189	2.7	17,280	1,106
Large Factories	..	..	..	30	16.7	12,023	(6.4)
Small Factories	..	..	..	159	—	5,257	(9.2)
6. All India	..	..	..	348	1.4	44,473	1,106
Large Factories	..	..	..	76	6.6	34,785	(2.5)
Small Factories	..	..	..	272	—	9,588	(3.2)

*'Covered' under the Factories Act, 1948.

Note—Figures within brackets in column 5 are percentages to those in Col. 4.

Contract labour was generally employed for work of a temporary nature. They were engaged on jobs like carrying the finished products to the godowns loading and unloading of materials and moving the heavy machinery etc., from one place to other. The main reason put forth by the management for the employment of contract labour was that the jobs on which such workers were employed were of an intermittent nature and as such employment of direct workers was not economical. Besides, contract workers, who could be pressed into service at any time without any restriction of prescribed timings, were stated to be more suitable for loading and unloading jobs which had to be completed within the shortest possible time to coincide with the availability of transport such as railway wagons, trucks, etc.

2.6. System of Recruitment

The findings of the Survey which pertain to the workers employed directly show that an overwhelming majority (about 82%) of the workers had been recruited directly at factory gates. About 7 per cent. of the workers were recruited through Employment Exchanges. The remaining 11 per cent. who were mainly professional, technical and managerial personnel, or clerical and related staff were recruited through advertisement and interviews. As regards the different centres, except 'Rest of Maharashtra' where more than half of the workers were recruited through Employment Exchanges, in all other centres an overwhelming majority of the directly employed workers were recruited by the employer at the factory gates. A significant factor concerning recruitment in the Industry was that none of the factories surveyed had resorted to recruitment of workers through intermediaries, such as *mistrics* or jobbers, recruiters and labour contractors.

2.7. Employment Status

With the enactment of the Industrial Employment (Standing Orders) Act, 1946, it has become obligatory for all establishments employing 100 or more workers to classify their employees into various categories viz., permanent, temporary, probationers, etc. Information pertaining to classification of 'Production and Related Workers' employed directly into different categories according to their employment status was collected during the course of the present Survey. In those sampled factories where Standing Orders were not framed, reliance had to be placed on the versions of the managements regarding the employment status of their workers. The Survey results show that about 78 per cent. of the 'Production and Related Workers' were treated as permanent, nearly 17 per cent. as temporary, nearly 4 per cent. as casual and the rest were either probationers or apprentices. Details appear in Statement 2.6.

STATEMENT 2·6

Estimated Percentage Distribution of 'Production and Related Workers' by Employment Status in the Fine and Pharmaceutical Chemicals Industry

(31st March, 1965)

Centre	Total Number of Production Work- ers* (emp- loyed directly)	Percentage Distribution of Workers					
		Per- manent workers	Proba- tioners	Tempo- rary Workers	Badlis	Casual Workers	Appren- tices (Paid)
1	2	3	4	5	6	7	8
1. Calcutta and 24 Parganas	7,376	79·4	—	14·5	—	6·0	0·1
Large Factories ..	5,873	79·0	—	15·4	—	5·6	—
Small Factories ..	1,503	81·1	—	11·1	—	7·5	0·3
2. Rest of West Bengal	1,018	89·9	—	10·1	—	—	—
Large Factories ..	770	93·8	—	6·2	—	—	—
Small Factories ..	248	77·8	—	22·2	—	—	—
3. Bombay ..	15,085	80·9	0·8	12·1	—	6·2	—
Large Factories ..	12,895	80·7	0·8	11·3	—	7·2	—
Small Factories ..	2,190	81·9	1·1	16·8	—	0·2	—
4. Rest of Maharashtra	3,714	88·5	—	10·5	—	1·0	—
Large Factories ..	3,224	92·0	—	8·0	—	—	—
Small Factories ..	490	65·9	—	26·7	—	7·4	—
5. Residual ..	16,174	72·8	0·1	23·8	—	1·3	2·0
Large Factories ..	10,917	71·4	0·1	24·0	—	1·6	2·9
Small Factories ..	5,257	75·7	—	23·6	—	0·7	—
6. All India ..	43,367	78·5	0·3	16·7	—	3·7	0·8
Large Factories ..	33,679	78·8	0·3	15·7	—	4·3	0·9
Small Factories ..	9,688	77·5	0·3	20·3	—	1·9	—

*'Covered' under the Factories Act, 1948.

It would be seen from the above Statement that the percentage of permanent workers was the highest (about 90%) in 'Rest of West Bengal' while it was the lowest (about 73%) in 'Residual' Centre. The latter had the highest percentage of temporary workers, viz., about 24 per cent.

2·8. Length of Service

During the present Survey, a study of the distribution of workers according to their length of service was made in respect of 'Production and Related Workers' covered under the Factories Act, 1948 and employed directly by the managements. The data so collected are presented in Statement 2·7.

STATEMENT 2·7

*Estimated Percentage Distribution of 'Production Workers' Employed
Directly According to Length of Service in the Fine and Pharmaceutical
Chemicals Industry*

(31st March, 1965)

Centre	Total Number of Pro- duction Workers*	Percentage Distribution of Workers having Length of Service of				
		Under 1 year	1 year and more but under 5 years	5 years and more but under 10 years	10 years and more but under 15 years	15 years and more
1	2	3	4	5	6	7
1. Calcutta and 24 Parganas	7,376	12·1	29·3	23·4	15·8	19·4
Large Factories ..	5,873	8·1	26·6	25·0	17·2	23·1
Small Factories ..	1,503	27·5	39·8	17·0	10·4	5·3
2. Rest of West Bengal ..	1,018	15·5	31·9	10·5	9·7	32·4
Large Factories ..	770	7·3	35·5	13·1	12·7	31·4
Small Factories ..	248	41·1	21·0	2·4	—	35·5
3. Bombay ..	15,085	19·8	33·8	20·1	12·9	13·4
Large Factories ..	12,895	19·8	33·6	20·9	12·3	13·4
Small Factories ..	2,190	19·7	35·3	15·2	16·1	13·7
4. Rest of Maharashtra ..	3,714	9·4	57·7	22·2	3·4	7·3
Large Factories ..	3,224	5·3	64·8	23·5	3·3	13·8
Small Factories ..	490	36·5	15·9	13·5	3·7	30·4
5. Residual ..	16,174	31·3	28·9	15·6	9·4	14·8
Large Factories ..	10,917	31·1	25·7	15·3	8·5	19·4
Small Factories ..	5,257	31·5	35·6	16·4	11·4	5·1
6. All India ..	43,367	21·8	33·2	18·9	11·2	14·9
Large Factories ..	33,679	19·8	32·8	19·8	11·1	16·5
Small Factories ..	9,688	28·7	34·9	15·7	11·6	9·1

*Covered under the Factories Act, 1948 and employed directly.

It would be seen from the above Statement that about one-fourth of the workers employed in the units surveyed had 10 or more than 10 years' service to their credit while about one-fifth of the workers had put in less than a year's service on 31st March, 1965. The rest constituted the intermediate groups. For the Industry as a whole, about 74 per cent. of the workers had put in less than 10 years' service. This seems quite natural as the Industry started making very rapid progress only with the advent of the Second Five Year Plan.

The pattern of the distribution of workers according to their length of service was found to be different in different centres. 'Rest of West Bengal' and 'Calcutta and 24 Parganas' could be regarded as leading inasmuch as about 42 and 35 per cent. of the workers in these two centres, respectively, had more than 10 years' service to their credit. In 'Rest of Maharashtra', 'Residual' and 'Bombay' centres, a majority of the workers had put in less than 5 years' service, their proportion being about 67, 60 and 54 per cent. respectively.

2.9. Absenteeism and Labour Turnover

No information in regard to the extent of absenteeism and labour turnover was collected from this Industry during the present Survey as the Bureau was already collecting information relating to absenteeism and labour turnover under the Annual Survey of Industries in respect of permanent and temporary 'Production and Related Workers'. The data in respect of 1964 are still in the processing stage. However, an attempt was made to obtain a general idea about the measures taken, if any, by the managements to reduce absenteeism and labour turnover. The findings of the Survey show that only about 27 per cent. of the units at the Industry level had taken some measures to reduce absenteeism and about 4 per cent. of the units to reduce labour turnover. Some of these measures were linking the rate of payment of bonus to attendances, non-payment of wages for unauthorised absence, etc. In the rest of the units, no measures were taken by the managements to curb absenteeism: labour turnover, presumably because they did not find it necessary either because it was not such a great problem or it was not considered worthwhile to do so.

2.10. Regulation of Employment of Badli and Casual Labour

The system of employment of 'Badli' workers was not in vogue in any of the units surveyed but casual workers were found employed in about 17 per cent. of the units. Of these, nearly 7 per cent. (which were all large factories located in Bombay) had taken some steps to regulate the employment of casual labour by providing employment in rotation.

2.11. Training and Apprenticeship

The present Survey has revealed that training and apprenticeship facilities had been provided only in about 6 per cent. of the units surveyed. Some of the units, it was found, were having these training schemes in addition to the apprentices which they were bound to take under the Apprentices Act, 1961. As regards the different centres, the proportion of the factories providing such facilities was the highest (about 10%) in 'Calcutta and 24 Parganas', followed by 'Bombay' (about 7%) and 'Residual Group' (about 5%). In the first two centres, the facilities existed only in small-size factories while in the 'Residual Group', they were reported from the large-size units only. The facilities were found to have been provided on an *ad hoc* basis only in about three-fourths of these factories while in the rest, both regular as well as *ad hoc* arrangements existed. In the 'Residual Group', the training was on the basis of written

contracts, while in 'Calcutta and 24 Parganas' only verbal contracts existed. In 'Bombay', no contract of any type existed between the management and the trainees.

The training schemes covered both job training as well as graduate training. Generally, candidates having education, say up to 9th standard or so, were selected as job trainees, the period of training varying from six months to three years depending upon the job training schemes such as those of fitters, turners welders, etc., and the needs of the establishments concerned. Persons who already had some training in the institutes run by the Government were generally preferred. The graduate training courses were for fresh degree holders in chemistry and pharmacy and after generally a period of one year or so, the trainees were absorbed in the establishments at junior chemists level.

CHAPTER III

WAGES AND EARNINGS

During the course of the present Survey, no attempt was made to collect data on wage rates for individual occupations as well as on wage revisions, since this information had already been collected by the Bureau under the Second Occupational Wage Survey (1963-65).

3.1. Earnings

The data on earnings and pay periods in respect of 'Production and Related Workers' were also not collected during the present Survey as the same were already available in the Bureau, having been collected in connection with the Occupational Wage Survey. The data on earnings collected during the Survey, therefore, relate to only four categories of workers, *viz.*, 'Professional, Technical and Related Personnel', 'Administrative, Executive and Managerial Personnel', 'Clerical and Related Workers' and 'Watch and Ward and Other Services'. This information relates to the pay period immediately preceding the specified date *viz.* 31st March, 1965, and is in respect of the workers covered under the Factories Act, 1948. The data so collected appear in Statement 3.1.

STATEMENT 3.1

Estimated Average Daily Earnings of Workers by Broad Occupational Groups
in the Fine and Pharmaceutical Chemical Industry*

(March, 1965)

(In Rupees)

Centre	Professional, Technical and Related Per- sonnel	Administra- tive, Exe- cutive and Managerial Personnel	Clerical and Related Workers (in- cluding Su- pervisory)	Watch and Ward and Other Ser- vices
1	2	3	4	5
1. Calcutta and 24 Parganas	13.85	18.79	5.96	2.88
Large Factories ..	15.44	22.22	5.93	2.91
Small Factories ..	11.53	13.50	6.04	2.80
2. Rest of West Bengal ..	13.71	10.56	7.84	4.60
Large Factories ..	14.09	—	8.36	4.91
Small Factories ..	11.87	10.56	4.83	3.60
3. Bombay ..	22.80	68.19	19.05	8.61
Large Factories ..	25.20	72.29	20.17	8.81
Small Factories ..	14.58	24.97	10.01	5.99
4. Rest of Maharashtra ..	10.03	51.87	9.62	9.38
Large Factories ..	10.20	57.15	10.50	9.94
Small Factories ..	9.68	4.15	4.92	3.45
5. Residual ..	10.97	16.13	6.43	3.43
Large Factories ..	10.00	13.20	5.91	3.88
Small Factories ..	11.36	17.59	6.89	2.65
6. All India ..	17.59	50.97	14.09	6.51
Large Factories ..	20.93	61.04	15.90	7.18
Small Factories ..	12.31	16.50	7.57	3.41

*Covered under the Factories Act, 1948.

It would be seen from the Statement (3.1) that the average daily earnings of the workers under the category 'Professional, Technical and Related Personnel' were Rs. 17.59 at the all-India level. Centre-wise comparison shows that the average daily earnings of the workers belonging to this category were the highest (Rs. 22.80) in 'Bombay' and the lowest (Rs. 10.03) in 'Rest of Maharashtra'.

As regards workers under the category 'Administrative, Executive and Managerial Personnel', 'Bombay' centre topped again, having Rs. 68.19 as their average daily earnings, followed by 'Rest of Maharashtra' (Rs. 51.87). The average daily earnings of such workers in the remaining three centres were, however, comparatively quite low, being Rs. 18.79 in 'Calcutta and 24 Parganas', Rs. 16.13 in 'Residual Group' and Rs. 10.56 in 'Rest of West Bengal.' The all-India average daily earnings for this category were Rs. 50.97 and they were obviously pulled up by 'Bombay' and 'Rest of Maharashtra' centres.

For the 'Clerical and Related Workers' also, the average daily earnings (Rs. 19.05) in 'Bombay' centre were quite high as compared to those in other centres which ranged between Rs. 5.96 and Rs. 9.62. The all-India average daily earnings for this category of workers worked out at Rs. 14.09.

As regards the workers belonging to the group 'Watch and Ward and Other Services', their average daily earnings were the highest (Rs. 9.38) in 'Rest of Maharashtra', closely followed by 'Bombay' (Rs. 8.61). They were the lowest (Rs. 2.88) in 'Calcutta and 24 Parganas'. The average daily earnings of such workers for the Industry, as a whole, were Rs. 6.51.

It was observed that the pay period in all the factories surveyed was a month for all the aforesaid four categories of workers.

3.2. Dearness Allowance

It was observed that about two-fifths of the units in the Industry were paying a separate dearness allowance to their workers. As among the different centres, the percentage of the units paying a separate dearness allowance was the highest (80) in 'Rest of Maharashtra' centre and the lowest (about 28) in the 'Residual Group'. Among the other centres, the percentage varied between 49 and 52. As between large and small factories, the proportion of the units paying a separate dearness allowance was generally found to be much higher in large factories than in small ones. For example, in 'Rest of Maharashtra', all large factories as against only two-thirds of the small ones were reported to be paying a separate dearness allowance to their employees. Similarly, in 'Calcutta and 24 Parganas', the percentage of such factories in large size group was 75 as against 43 in small size.

Of the units paying a separate dearness allowance, in about 28 per cent., it had been linked with Consumer Price Index Number. All of these factories were located in 'Bombay' and the 'Residual' centres. In the factories located in 'Bombay', the dearness allowance was linked with the Consumer Price Index

Number for Bombay on base : July, 1933 to June, 1934 =100. Of the factories located in the 'Residual Group', in some it was linked with Ernakulam Consumer Price Index (Base : August 1939 =100). Details about others are not available. Of the factories paying a separate dearness allowance in about 36 per cent., it was based on income slabs while in about 32 per cent. of the factories it was being paid at flat rates. In the rest (i.e., 4 per cent.), the payment of dearness allowance was based on a combination of two or three of these methods. For example, in one unit, located in 'Rest of West Bengal', it was fixed after taking into consideration both the income slab as well as consumer price index number. In another unit, which was located in 'Calcutta and 24 Parganas', the dearness allowance was paid at the rate of 60 per cent. of the basic salary subject to a minimum of Rs. 35 and a maximum of Rs. 80 per month.

3.3. Other Allowances

During the course of the Survey, details were collected about the various allowances paid to all workers including 'Production and Related Workers'. A brief account of the findings of the Survey is given below:—

3.3.1. Production/Incentive Bonus

It was observed that production/incentive bonus was being paid in only about 5 per cent. of the factories in the country, comprising about 2 per cent. of large and 6 per cent. of small factories. As regards different centres, the percentage of factories paying production/incentive bonus was 50, 7 and 4 in 'Rest of West Bengal', 'Bombay' and 'Residual Group' respectively. None of the factories in 'Calcutta and 24 Parganas' and 'Rest of Maharashtra' was paying production/incentive bonus to its employees.

The production bonus was generally paid to 'Production and Related Workers' only for attaining or exceeding the minimum target fixed. For example, for packing over 1,000 ampules or 900 phials per day, the rate of bonus payment was 60 paise per 1,000 ampules/phials. For packing more than 27 cases, the rate of payment was a day's basic wage and dearness allowance.

3.3.2. House Rent Allowance

About 12 per cent. of the Fine and Pharmaceutical Chemical factories in the country (comprising 29 per cent. of large and 7 per cent. of small) were found to be paying house rent allowance to the workers. None of the large factories in 'Rest of West Bengal' and small factories in 'Calcutta and 24 Parganas', 'Bombay' and 'Rest of Maharashtra' was reported to be paying this allowance. Generally, this allowance was paid to permanent monthly-rated workers who were not provided with housing accommodation by the employers. The allowance was related to the basic pay with a fixed minimum. In a few units located in 'Bombay' and 'Rest of Maharashtra', the allowance was paid only to Watch and Ward employees who were not provided with housing accommodation by the employers.

3.3.3. Night Shift Allowance

The system of paying night shift allowance was found to be existing in hardly 5 per cent. of the Fine and Pharmaceutical Chemical factories in the country. The corresponding percentage in large factories was about 16 as against 2 in small factories. This allowance was being paid in half of the large

factories in 'Rest of Maharashtra', two-fifths of the large factories in 'Bombay' and in about 14 per cent. of the small factories in 'Calcutta and 24 Parganas'. The allowance was paid to 'Production and Related Workers' only and the rate of payment varied from Re. 0.31 to Re. 0.75 per night shift. In a few factories, located in 'Bombay', it was found to be a fixed percentage of the wages earned during the pay-period.

3.3.4. Transport or Conveyance Allowance

The Survey results show that about 5 per cent. of the Fine and Pharmaceutical Chemical factories in India (comprising 25 per cent. of the large factories in 'Calcutta and 24 Parganas', 20 per cent. of the large factories in 'Bombay' and 5 per cent. of the small factories in 'Residual Group') were paying transport/conveyance allowance. This benefit was generally restricted to employees who fulfilled certain prescribed conditions. For instance, in one of the factories, located in 'Calcutta and 24 Parganas' an amount equal to third class railway fare from the workers' residences to the factory premises was paid only to those workers who were permanent and living far away from the factory premises. In another large establishment, located in 'Bombay', this allowance was paid at the rate of Rupees five per month to only those workers who had joined service before January, 1963 and had attended duty for more than 15 days in a month.

3.3.5. Attendance Bonus

Only about 4 per cent. of the Fine and Pharmaceutical Chemical factories in the country--all of them of large size and located in 'Bombay' and 'Residual Group' were reported to be paying attendance bonus to their employees. In the factories located in 'Residual Group', regular attendance bonus was paid at the rate of Rs. 15 per month to only those female workers who had joined service before May, 1951 and had attended the duties regularly except when on casual, privilege or special leave. In the factories located in 'Bombay', the rate of this bonus varied from Rs. 7 to Rs. 10 per month depending upon the skill required for the job and was paid to only those who had attended duties on all working days in a month and maintained normal efficiency in work.

3.3.6. Other Cash Allowances

Certain other allowances, such as First-aid Allowance, Fire Fighting Allowance, were also being paid in a few factories in all the centres. Since they were normally restricted to a selected few workers, their impact at the Industry level was almost negligible.

3.4. Bonuses

Till May, 1965, there was no law in regard to the payment of bonus to the workers. However, in a large number of factories, workers were getting bonus almost every year either at the year-end or at the time of some festivals like Puja, Diwali, etc. The bonus in such cases was paid either voluntarily by the managements or under some collective agreements entered into by the workers and the managements or under some adjudication awards. During the course of the Survey, information regarding the prevailing practices in respect of bonus payment to workers was collected and appears in the following paragraphs.

3.4.1. Annual/Year-end Bonus

The practice of paying annual bonus was found to be in vogue in about 54 per cent. of the Fine and Pharmaceutical Chemical factories in the country, comprising about 69 per cent. of large and 50 per cent. of small factories. As among different centres, the percentage of factories paying annual/year-end bonus was 73, 58, 57, 28 and 20 in 'Bombay', 'Residual Group', 'Rest of West Bengal', 'Calcutta and 24 Parganas' and 'Rest of Maharashtra', respectively. In only about 37 per cent. of the factories paying the bonus, the payment was made under a regular scheme. In the rest, no regular scheme for regulating payment of such bonus existed. In 56 per cent. of the factories paying bonus (comprising 65 per cent. of such factories in 'Residual Group', about 63 per cent. in 'Calcutta and 24 Parganas', 50 per cent. in 'Rest of West Bengal' and 42 per cent. in 'Bombay'), the managements were voluntarily paying the bonus, while in about 37 per cent. of the factories, the bonus was being paid on the basis of voluntary agreements. In the rest, the payment was being made under adjudication awards, Payment of Bonus Act, 1965, etc.

In about 97 per cent. of the Fine and Pharmaceutical Chemical factories paying annual/year-end bonus, all categories of workers were entitled to receive this bonus while in the remaining about 3 per cent. of the factories, annual/year-end bonus was being paid to 'Production and Related Workers' only.

As regards the conditions of eligibility, it was observed that in about 78 per cent. of the units paying the bonus (comprising all such units in 'Rest of West Bengal', 86 per cent. in 'Bombay' and about three-fourths each of the units in 'Calcutta and 24 Parganas' and 'Residual Group'), the bonus was payable to only those workers who had put in a minimum continuous service varying from one to twelve months. In about 6 per cent. of the factories, permanency was the criterion. In the remaining 16 per cent. of the units, there was no condition attached to the payment of bonus.

The rate of payment of the bonus varied from factory to factory. In about 77 per cent. of the units, it was paid at the rate of about one month's wages or less. In the remaining factories, the rate of bonus exceeded one month's wages. Such factories comprised all large factories in 'Rest of Maharashtra' half of the small factories in 'Rest of West Bengal', one-fourth of all the factories in 'Residual Group' and about 19 per cent. of all the factories paying bonus in 'Bombay'. In about 3 per cent. of the factories paying this bonus, which were located in 'Calcutta and 24 Parganas', the payment of bonus acted as an indirect check on absenteeism; the larger the number of days a worker was absent, the lesser the amount of bonus received by him.

The mode of payment was generally cash, though in a few factories located in 'Bombay' and 'Rest of Maharashtra', a part of the bonus was paid in savings certificates also.

3.4.2. Festival Bonus

The payment of festival bonus was found to be in vogue in about 15 per cent of the Fine and Pharmaceutical Chemical factories in the country. It was found to be popular mainly in 'Calcutta and 24 Parganas' where it was called 'Puja Bonus'. In this centre, as many as 75 per cent. of large and 56 per cent. of small factories were paying this bonus. None of the large factories

in 'Bombay' and 'Residual Group' and small factories in 'Rest of Maharashtra' was reported to be paying this bonus.

In about 54 per cent. of the factories paying this bonus (consisting of all such factories in 'Rest of West Bengal' and 'Residual Group' and 56 per cent. in 'Calcutta and 24 Parganas'), the payment was being made under regular schemes. In about 71 per cent. of the factories paying this bonus (comprising all such factories in 'Residual Group' and 88 per cent. in 'Calcutta and 24 Parganas'), the bonus was paid voluntarily by the managements while in the rest (comprising all such factories in 'Rest of West Bengal', 'Bombay' and 'Rest of Maharashtra' and 12 per cent. of such factories in 'Calcutta and 24 Parganas'), it was paid as a result of voluntary collective agreements between the managements and the workers. The bonus was usually paid to all workers except in one small factory located in 'Residual Group' where it was restricted to clerical and monthly-rated employees only. In about 67 per cent. of the factories, comprising all small factories paying festival bonus in 'Calcutta and 24 Parganas', 'Bombay' and 'Residual Group', no conditions were attached for the payment of bonus. In about 26 per cent. of the factories which consisted of all large factories in 'Rest of West Bengal' and 'Rest of Maharashtra', and two-thirds of the large factories in 'Calcutta and 24 Parganas', it was linked with a minimum service varying from one month to 12 months. In the remaining few factories, all located in 'Calcutta and 24 Parganas', permanency was the essential pre-requisite.

The rate of payment varied from unit to unit though, in three-fifths of the cases, it was not more than 1/12th of the total earnings in the year. In one small factory located in 'Residual Group', the bonus was paid at a flat rate of Rs. 40 for those getting Rs. 100 per month as basic pay and Rs. 54 for those getting more than Rs. 100 per month as basic pay.

The payment of the festival bonus was made invariably in cash.

3.4.3. Profit-sharing Bonus

No scheme for the payment of profit-sharing bonus was found to be in force in any of the units surveyed.

3.5. Fines and Deductions

The practice of imposing fines was found to be in vogue in only one large sampled factory, located in the 'Residual Group', constituting about one per cent. of the Fine and Pharmaceutical Chemical factories in the country. The amount of fines imposed was within the limits prescribed under the Payment of Wages Act, 1936. The list of acts of commission and omission for which fines were imposed was duly approved and displayed on the notice boards of the factory. A fines register was also maintained in the factory.

Deductions, wherever made, were found to be in conformity with the Payment of Wages Act, 1936. The register for deductions as prescribed under the Payment of Wages Act, 1936, was, however, maintained in only one large factory located in the 'Residual Group'. In the rest, it was perhaps not found necessary as no such deductions were reported to have been made in them.

The management of the only factory employing contract labour—a large factory located in 'Residual Group'—was not exercising any control over the payment of wages to the contract labour.

CHAPTER IV

WORKING CONDITIONS

Working conditions in an industrial undertaking have a vital bearing on the workers' productive capacity and health. It is not surprising, therefore, that they have all along attracted the attention of the Government of India as well as the State Governments. As a result, significant improvements in the conditions of work have been effected by legislative enactments, particularly the Factories Act, 1948. The following paragraphs describe the state of working conditions in Fine and Pharmaceutical Chemical factories in India as observed at the time of the Survey.

4.1. Shifts

The data collected during the Survey have shown that about 77 per cent. of the factories in the country were working only one shift, about 20 per cent. three shifts and the remaining about 3 per cent. of the factories had two shifts. The practice of working double shift was found prevalent in half of the large factories in 'Calcutta and 24 Parganas' and about one-fifth of the large factories in 'Bombay'. Half of the factories in 'Rest of West Bengal' were reported to be working three shifts. Details appear in Statement 4.1.

STATEMENT 4.1

Estimated Percentage of Fine and Pharmaceutical Chemical Factories According to Number of Shifts (1965-66)

Centre	Number of Factories	Percentage of Factories having			Percent- age of Factories having Night Shift
		One Shift	Two Shifts	Three Shifts	
1	2	3	4	5	6
1. Calcutta and 24 Parganas ..	51	67.9	14.7	17.4	17.4
Large Factories ..	15	25.0	50.0	25.0	25.0
Small Factories ..	36	85.7	—	14.3	14.3
2. Rest of West Bengal ..	7	50.0	—	50.0	50.0
Large Factories ..	3	50.0	—	50.0	50.0
Small Factories ..	4	50.0	—	50.0	50.0
3. Bombay ..	81	85.2	4.9	9.9	9.9
Large Factories ..	20	40.0	20.0	40.0	40.0
Small Factories ..	61	100.0	—	—	—
4. Rest of Maharashtra ..	20	80.0	—	20.0	20.0
Large Factories ..	8	50.0	—	50.0	50.0
Small Factories ..	12	100.0	—	—	—
5. Residual ..	189	77.0	—	23.0	23.0
Large Factories ..	30	66.7	—	33.3	33.3
Small Factories ..	159	78.9	—	21.1	21.1
6. All India ..	348	77.2	3.3	19.5	19.5
Large Factories ..	76	49.0	15.1	35.9	35.9
Small Factories ..	272	85.1	—	14.9	14.9

All those Fine and Pharmaceutical Chemical factories which were working three shifts, had invariably a night shift*. In about one-fourth of these factories, all of which were small size units located in 'Residual Group', free tea was provided to the night shift workers. In another 25 per cent. of the units (comprising all large factories having night shift in 'Bombay' and 'Rest of Maharashtra' and all small factories having night shift in 'Calcutta and 24 Parganas'), managements were reported paying shift allowance to such workers. A regular system of transferring workers from one shift to another existed in all the factories working night shift. In about 52 per cent. of the factories, the changeover was effected once in a week, in about 18 per cent. once in a month and in about 17 per cent., it was once in a fortnight. In the remaining 13 per cent. factories (all small factories located in 'Residual Group'), the period of changeover was not fixed. As between the different centres, it was observed that all such factories in 'Rest of West Bengal', about 62 per cent. of the factories in 'Residual Group' and about 58 per cent. of the factories in 'Calcutta and 24 Parganas' were having weekly changeover. Only fortnightly changeover existed in 'Rest of Maharashtra'. In 'Bombay', half of the factories were having monthly changeover while the remaining half had fortnightly changeover.

4.2. Hours of Work

Since the enactment of the Factories Act, 1948, the hours of work for adult workers have been fixed at a maximum of 48 per week and 9 per day. The Chief Inspectors of Factories have been empowered to grant exemption from the above limit of daily hours of work in order to facilitate the changeover in any factory.

The data collected during the present Survey show that in none of the factories surveyed, the daily hours of work for the majority of workers exceeded 8½. In fact, in about 94 per cent. of the factories, the daily hours of work were 8 or less. Details appear in Statement 4.2.

STATEMENT 4.2

Daily Hours of Work in Fine and Pharmaceutical Chemicals Industry. (1965-66)

Centro	Number of Factories	Estimated Percentage of Factories where Daily Hours of Work for Majority of Adult Workers were				
		Equal to 7½	More than 7½ but less than 8	Equal to 8	More than 8 but less than 8½	Equal to 8½
1	2	3	4	5	6	7
1. Calcutta and 24 Parganas	51	50.4	—	49.6	—	—
Large Factories ..	15	—	—	100.0	—	—
Small Factories ..	36	71.4	—	28.6	—	—
2. Rest of West Bengal ..	7	21.4	—	78.6	—	—
Large Factories ..	3	50.0	—	50.0	—	—
Small Factories ..	4	—	—	100.0	—	—

*For the purpose of the Survey, a night shift was treated as the one whose majority of working hours fell between 10 P.M. and 6 A.M.

STATEMENT 4·2—*contd.*

1	2	3	4	5	6	7
3. Bombay ..	81	16·7	18·6	39·2	4·9	20·6
Large Factories ..	20	40·0	20·0	20·0	20·0	—
Small Factories ..	61	9·1	18·2	45·4	—	27·3
4. Rest of Maharashtra ..	20	20·0	—	80·0	—	—
Large Factories ..	8	50·0	—	50·0	—	—
Small Factories ..	12	—	—	100·0	—	—
5. Residual ..	189	5·3	—	94·7	—	—
Large Factories ..	30	33·3	—	66·7	—	—
Small Factories ..	159	—	—	100·0	—	—
6. All India ..	348	15·7	4·3	74·0	1·2	4·8
Large Factories ..	76	30·9	5·3	58·5	5·3	—
Small Factories ..	272	11·5	4·1	78·3	—	6·1

The weekly hours of work were generally found to be 48 or less. Only in one small unit, located in Bombay, a unique system was found to have been adopted. The workers in this factory were getting Saturday also (besides Sunday) as a holiday in alternate weeks. On other days, they had to work for $8\frac{1}{2}$ hours a day. Consequently, the factory was reported to be working for 51 hours and $42\frac{1}{2}$ hours in alternate weeks.

It was further noticed that in almost all the factories the duration of night shift was 8 hours, the only exception being one large size unit in 'Calcutta and 24 Parganas' wherein the duration of night shift was $8\frac{1}{2}$ hours.

As reported earlier, contract labour was employed in one unit only in the 'Residual Group' and their working hours were the same as of direct labour *i.e.*, 8 hours a day and 48 hours a week.

As regards the practice in respect of spreadover and rest-interval in the Fine and Pharmaceutical Chemical factories, the data collected appear in Statement 4·3.

It would be seen from the Statement (4·3) that in all the factories surveyed, the workers were allowed some rest interval. The duration of rest interval was up to one hour in about 90 per cent. of the factories whereas in the rest, it was between more than one hour and up to two hours. The daily spreadover did not exceed 10 hours in any of the factories surveyed. It was up to 9 hours in 93 per cent. of the factories whereas in the remaining 7 per cent. of the factories, it was more than 9 and up to 10 hours. It was also reported that the prescribed timings were being observed strictly in all the factories surveyed.

STATEMENT 4.3

Estimated Percentage Distribution of Fine and Pharmaceutical Chemical Factories according to duration of Spread-over and Rest Interval, etc. (1965-66)

Centre	Number of Factories	Percentage of Factories where					
		Spread-over for Adult Workers was					
		Equal to 8 hours	More than 8 hours but less than 8½ hours	Equal to 8½ hours	More than 8½ hours but less than 9 hours	Equal to 9 hours	Equal to 9½ hours
1	2	3	4	5	6	7	8
1. Calcutta and 24 Parganas	51	50.4	—	49.6	—	—	—
Large Factories	15	—	—	100.0	—	—	—
Small Factories	36	71.4	—	28.6	—	—	—
2. Rest of West Bengal	7	21.4	—	—	—	78.6	—
Large Factories	3	50.0	—	—	—	50.0	—
Small Factories	4	—	—	—	—	100.0	—
3. Bombay	81	9.9	6.8	18.6	6.9	52.9	—
Large Factories	20	40.0	—	20.0	—	20.0	—
Small Factories	61	—	9.1	18.2	9.1	63.6	—
4. Rest of Maharashtra	20	—	—	20.0	—	60.0	—
Large Factories	8	—	—	50.0	—	50.0	—
Small Factories	12	—	—	—	—	66.7	—
5. Residual	189	5.3	—	56.7	—	29.2	4.4
Large Factories	30	33.3	—	50.0	—	16.7	—
Small Factories	159	—	—	57.9	—	31.6	5.2
6. All India	348	13.0	1.6	43.5	1.6	33.2	2.4
Large Factories	76	25.7	—	50.0	—	19.1	—
Small Factories	272	9.5	2.0	41.7	2.0	37.1	3.1

Percentage of Factories where

Centre	Spread over for Adult Workers was			Rest Interval for Adult Workers was				
	More than 9½ hours but less than 10 hours	Equal to 10 hours	Equal to 1½ hour	More than 1½ hour but less than 1 hour	Equal to 1 hour	More than 1 hour but less than 1½ hours	Equal to 1½ hours	Equal to 2 hours
	9	10	11	12	13	14	15	16
1. Calcutta and 24 Parganas	—	—	100.0	—	—	—	—	—
Large Factories	—	—	100.0	—	—	—	—	—
Small Factories	—	—	100.0	—	—	—	—	—
2. Rest of West Bengal	—	—	42.9	—	57.1	—	—	—
Large Factories	—	—	100.0	—	—	—	—	—
Small Factories	—	—	—	—	100.0	—	—	—
3. Bombay	4.9	—	62.7	6.9	13.7	11.8	4.9	—
Large Factories	20.0	—	60.0	—	—	20.0	20.0	—
Small Factories	—	—	63.6	9.1	18.2	9.1	—	—
4. Rest of Maharashtra	—	20.0	40.0	—	40.0	—	—	20.0
Large Factories	—	—	100.0	—	—	—	—	—
Small Factories	—	33.3	—	—	66.7	—	—	33.3
5. Residual	—	4.4	61.9	—	29.2	—	4.4	4.5
Large Factories	—	—	83.3	—	16.7	—	—	—
Small Factories	—	5.3	57.9	—	31.6	—	5.2	5.3
6. All India	1.1	3.6	66.0	1.6	22.5	2.7	3.6	3.6
Large Factories	5.2	—	82.9	—	6.6	5.3	5.2	—
Small Factories	—	4.6	61.4	2.0	26.9	2.0	3.1	4.6

4.3. Dust and Fumes

Section 14 of the Factories Act, 1948, provides that in every factory in which, by reason of the manufacturing process carried on, there is any dust or fume or other impurity of such a nature and to such an extent as is likely to be injurious or offensive to the workers employed therein, effective measures should be taken to prevent its inhalation and accumulation in any work room. The present Survey has revealed that dusty processes were reported in only about 30 per cent. of the factories surveyed. Generally, the processes like grinding of raw materials, mixing of products, mechanical compression of tablets, etc., gave off considerable dust. In about 84 per cent. of such factories (*i.e.*, those having dusty processes), such processes had been isolated. Besides, other precautionary measures such as dust suppression by water, provision of local and general exhaust systems had also been taken in many of them. About four-fifths of such factories had also provided protective equipments like dust masks, etc., to the workers.

Extraction of crude drugs, heating of alcoholic ammonia and acidic substances, etc., were the most common processes reported to be giving off considerable fumes, vapours or gases. Such processes existed in about 23 per cent. of the factories. In about three-fourths of these factories, such processes had been isolated. Besides, in most of them, local and general exhaust systems were also provided. Protective equipments like gas masks, etc., were provided in only 1 per cent. of such factories.

In the course of the Survey, it was observed that in quite a good number of cases, the workers were not using the protective equipments provided by the managements. A deeper probe by our field staff revealed that the main reasons for the non-utilisation of such equipments were two *viz.*, (*i*) reluctance on the part of the workers to use anything new and (*ii*) the sub-standard quality and also the non-satisfactory maintenance of the equipments.

As regards house-keeping *i.e.*, dusting, cleaning and arrangement of articles etc., in the departments where processes giving off dust and gases were being carried on the position was found to be good in most of them.

4.4. Seating Arrangements

Under the Factories Act, 1948, the managements are required to make suitable arrangements for sitting for all such workers as are obliged to work in a standing position so that they may take advantage of any opportunity for rest which may occur in the course of the work. This aspect was enquired into during the course of the Survey and it was found that in about 90 per cent. of the factories, workers were required to work in a standing position. Of these, about 92 per cent. had provided seating arrangements, though in a few of them, the arrangements were not adequate. Of the managements who had not provided seating arrangements, many stated that they did not feel the necessity of providing such an arrangement as the workers could, if necessary, take rest by going outside for some time. Further, some were of the view that such arrangements would hamper the progress of work and impair the efficiency of workers.

4.5. Conservancy

Under the Factories Act, 1948, it is obligatory for every factory to maintain an adequate number of latrines and urinals of a prescribed standard for the use of workers. The Survey results show that all the factories surveyed had provided latrines for the use of the workers. However, in about one-fifth of the factories, the number of latrines provided was not found to be adequate. The latrines provided were of water-borne sewage or septic tank type in about three-fourths of the factories while, in the rest, they were of dry-type bore hole, dry-type pan, etc. Most of the latrines provided were of permanent type with impervious floors and plastered and tarred walls and were properly screened to afford privacy. Water taps in or near the latrines had been provided in almost all of them. Separate arrangements for female workers existed in about three-fourths of the factories employing women.

Besides latrines, urinals had been provided in about two-thirds of the factories, and in most of them, on an adequate scale. In almost all the units, the urinals provided were of permanent type with impervious floors, plastered or tarred walls and affording adequate privacy. Separate urinals had been provided for women workers in only about 37 per cent. of the factories employing women workers.

4.6. Leave and Holidays with Pay

Section 79 of the Factories Act, 1948, provides that every worker, who has completed a period of 240 days' continuous service in a factory, should be allowed, during the subsequent period of twelve months, leave with wages for a number of days calculated at the prescribed rate. Some of the State Governments/ Union Territories have also passed laws for the grant of paid national and festival holidays to persons employed in industrial establishments. All other types of leave have usually come into vogue as a result of voluntary decisions of managements or agreements between employers and employees. Statement 4.4, based on the data collected during the Survey, shows the prevailing practices in regard to grant of leave and holidays with pay in Fine and Pharmaceutical Chemical factories in the country.

STATEMENT 4.4

Estimated Percentage of the Fine and Pharmaceutical Chemical Factories Granting Various Types of Leave and Holidays with Pay (1965-66)

Centre	Number of Factories	Percentage of Factories Granting				
		Earned Leave	Casual Leave	Sick Leave	National and Festival Holidays	*Others
1	2	3	4	5	6	7
1. Calcutta and 24 Parganas	51	92.7	69.8	24.8	100.0	10.1
Large Factories ..	15	75.0	100.0	50.0	100.0	—
Small Factories ..	36	100.0	57.1	14.3	100.0	14.3
2. Rest of West Bengal ..	7	100.0	50.0	50.0	100.0	—
Large Factories ..	3	100.0	50.0	50.0	100.0	—
Small Factories ..	4	100.0	50.0	50.0	100.0	—

STATEMENT 4.4—*contd.*

	1	2	3	4	5	6	7
3. Bombay		81	100.0	79.5	47.1	93.2	11.8
Large Factories ..		20	100.0	100.0	80.0	100.0	20.0
Small Factories ..		61	100.0	72.7	36.4	90.9	9.1
4. Rest of Maharashtra ..		20	100.0	60.0	80.0	100.0	—
Large Factories ..		8	100.0	100.0	100.0	100.0	—
Small Factories ..		12	100.0	33.3	66.7	100.0	—
5. Residual		189	91.1	41.6	44.2	100.0	4.4
Large Factories ..		30	100.0	66.7	83.3	100.0	—
Small Factories ..		159	89.5	36.8	36.8	100.0	5.3
6. All India		348	94.1	55.8	44.2	98.4	6.7
Large Factories ..		76	95.1	84.9	76.3	100.0	5.3
Small Factories ..		272	93.9	47.6	35.3	98.0	7.0

*Maternity Leave, Bank Holidays, Additional Leave and Educational Leave.

4.6.1. Earned Leave

Data collected during the Survey show that earned leave was being granted in about 94 per cent. of the units surveyed. For all workers covered under the Factories Act, 1948, the conditions of eligibility, etc., were the same as laid down under the Act. It was, however, observed that in one of the units, a small one located in 'Residual Group', the employer preferred to make cash payments to workers in lieu of the leave earned by them and the workers also did not seem to insist on enjoying the actual leave.

In order to assess the extent of benefit actually enjoyed by workers, information in respect of the number of workers who were granted earned leave during the calendar year 1964 and the extent of earned leave availed by them was also collected during the Survey and the same is presented in Statement 4.5 on the next page.

The Statement shows that the percentage of workers who availed earned leave during 1964 varied from about 64 per cent. in 'Rest of Maharashtra' to about 94 per cent. in 'Rest of West Bengal', the overall average in the Industry being about 75 per cent. The proportion of the workers who availed earned leave during 1964 was higher (i.e., 78%) in large factories as compared to small ones (i.e., 66%). About three-fourths of those availing leave enjoyed it for a period of over ten days in the year, rest having enjoyed it for 10 days or less.

4.6.2. Casual Leave

The Survey results have shown that about 56 per cent. of the factories surveyed were allowing casual leave with pay to their employees. In about two-thirds of these units, such leave was allowed up to 10 days in a year. In the rest of the factories, it was generally allowed for 15 days except one small factory in 'Residual Group' where it exceeded even 15 days.

STATEMENT 4.5

*Estimated Number of Workers Granted Earned Leave with Pay in the Fine
and Pharmaceutical Chemicals Industry
(During 1964)*

Centre	Average Daily Num- ber of Workers Employed	Number of Workers who Enjo- yed Leave	Percentage of Workers who njo- yed Leave to the Total Employed	Percentage of Workers who Enjoyed Leave	
				Up to 5 Days	Over 5 and up to 10 Days
1	2	3	4	5	6
1. Calcutta and 24 Parganas	7,971	5,726	71.8	8.7	12.6
Large Factories ..	6,350	4,797	75.5	8.6	11.0
Small Factories ..	1,621	929	57.3	19.6	21.2
2. Rest of West Bengal ..	930	879	94.5	9.8	13.4
Large Factories ..	773	725	93.8	11.2	14.3
Small Factories ..	157	154	98.1	3.2	9.1
3. Bombay ..	16,920	13,637	80.6	7.7	12.8
Large Factories ..	14,414	11,518	79.9	7.5	13.4
Small Factories ..	2,506	2,119	84.6	8.2	9.5
4. Rest of Maharashtra ..	5,678	3,625	63.8	21.1	22.3
Large Factories ..	3,633	3,260	89.7	22.0	23.3
Small Factories ..	2,045	365	17.9	13.2	13.1
5. Residual ..	15,214	11,095	72.9	11.5	17.6
Large Factories ..	9,914	6,935	69.9	7.6	20.2
Small Factories ..	5,300	4,160	78.5	18.1	13.3
6. All India ..	46,713	34,962	74.8	10.5	15.3
Large Factories ..	35,084	27,235	77.6	9.2	15.9
Small Factories ..	11,629	7,727	66.5	15.0	13.1

Percentage of Workers who Enjoyed Leave

Centre	Percentage of Workers who Enjoyed Leave				
	Over 10 and up to 15 Days	Over 15 and up to 20 Days	Over 20 and up to 25 Days	Over 25 and up to 30 Days	Over 30 Days
1	7	8	9	10	11
1. Calcutta and 24 Parganas	28.3	13.6	12.6	14.0	10.2
Large Factories ..	25.8	15.8	14.3	15.5	11.0
Small Factories ..	41.2	2.7	3.7	5.8	5.8
2. Rest of West Bengal ..	20.3	22.5	9.1	8.4	16.5
Large Factories ..	17.7	26.6	10.3	8.3	11.6
Small Factories ..	32.5	3.3	3.2	9.1	39.6
3. Bombay ..	19.7	14.4	15.5	10.1	19.8
Large Factories ..	20.1	13.4	13.4	10.8	21.4
Small Factories ..	17.8	19.9	27.0	6.1	11.4
4. Rest of Maharashtra ..	22.6	17.7	11.0	3.9	1.4
Large Factories ..	20.2	18.2	11.7	3.1	1.5
Small Factories ..	44.1	13.2	4.9	11.5	—
5. Residual ..	45.4	13.1	5.9	4.7	1.8
Large Factories ..	47.0	15.3	6.1	2.6	1.2
Small Factories ..	42.7	9.3	5.6	8.1	2.9
6. All India ..	29.6	14.4	11.4	8.3	10.5
Large Factories ..	27.9	15.2	11.4	8.6	11.8
Small Factories ..	35.6	11.5	11.1	7.5	6.2

In about half of the units granting casual leave, all (except the casual workers) were entitled to casual leave while in the remaining half of the units, casual leave was granted to only certain categories such as permanent workers, monthly-rated employees, etc. Full consolidated wages or basic pay and dearness allowance, as the case might be, were payable in all the large as well as small units granting casual leave.

4.6.3. Sick Leave

The present Survey has revealed that, apart from the facilities available under the Employees' State Insurance Scheme, the managements were granting sick leave with pay to the workers in about 44 per cent. of the factories at the all-India level. Such leave was generally allowed to all workers, except casual labour, in about two-fifths of the factories granting casual leave while in an equal number of units it was restricted to permanent workers only. In the rest only certain categories of workers, such as administrative and clerical workers, were entitled to this leave. Production of a medical certificate was the most common condition attached to the grant of sick leave. In about two-thirds of the units granting sick leave, the duration of such leave was up to ten days in a year while, in the rest, it exceeded ten days. During leave period, workers were generally paid full basic pay with dearness allowance or consolidated wages in all large factories and 94 per cent. of the small factories. In the remaining few cases, it was, however, observed that such leave was allowed on half pay.

4.6.4. National and Festival Holidays

The results of the present Survey show that the practice of granting national and/or festival holidays with pay had become almost universal in Fine and Pharmaceutical Chemical factories in the country since nearly 98 per cent. of the factories were found allowing this benefit. This might be due to the legal provisions for the same made in many States. In about four-fifths of the units granting these holidays, the benefit was enjoyed by all workers and, in the remaining units, it was restricted to only certain categories of workers such as permanent or monthly-rated workers. In nearly one-third of the units granting holidays, the number of holidays was up to 10 days in a year. In another 45 per cent. of the units, it was more than 10 but up to 15 days while in the remaining units it was more than 15 days. Details appear in Statement 4.6.

In almost all the cases, the workers were generally paid full basic wages with dearness allowance or consolidated wages. No qualifying conditions were attached to making payment for the holidays in all but six per cent. of such units. In half of them, attendance on the preceding and succeeding working days and in the remaining half, six months' continuous service was insisted upon for claiming pay for the holidays. The former factories, all small ones were located in 'Rest of Maharashtra', while the latter, also all small ones, were located in 'Rest of West Bengal.'

4.6.5. Weekly Off

All the Fine and Pharmaceutical Chemical factories surveyed in the country were complying with the provisions of the Factories Act, 1948, regarding the grant of a weekly day of rest to the workers. As regards payments for such weekly offs, it was with pay in all the factories but restricted to monthly-rated and permanent staff.

STATEMENT 4.6

*Estimated Percentage Distribution of Factories Granting Holidays
by the Numbers of Holidays Granted
(1965-66)*

Centre	Number of Factories	Percentage of Factories Granting Holidays	Percentage of Factories Granting Holidays for		
			6 to 10 days	11 to 15 days	16 days and above
1	2	3	4	5	6
1. Calcutta and 24 Parganas	51	100.0	—	55.0	45.0
Large Factories ..	15	100.0	—	50.0	50.0
Small Factories ..	36	100.0	—	57.1	42.9
2. Rest of West Bengal ..	7	100.0	57.2	21.4	21.4
Large Factories ..	3	100.0	—	50.0	50.0
Small Factories ..	4	100.0	100.0	—	—
3. Bombay	81	93.2	34.7	40.0	25.3
Large Factories ..	20	100.0	20.0	40.0	40.0
Small Factories ..	61	90.9	40.0	40.0	20.0
4. Rest of Maharashtra ..	20	100.0	60.0	40.0	—
Large Factories ..	8	100.0	—	100.0	—
Small Factories ..	12	100.0	100.0	—	—
5. Residual	189	100.0	36.3	45.1	18.6
Large Factories ..	30	100.0	33.3	33.3	33.4
Small Factories ..	159	100.0	36.8	47.4	15.8
6. All India	348	98.4	32.3	44.7	23.0
Large Factories ..	76	100.0	18.4	46.1	35.5
Small Factories ..	272	98.0	36.3	44.3	19.4

CHAPTER V

WELFARE AND AMENITIES

The human approach to the problems of industrial labour has been increasingly in evidence in all countries, including India, for the last few decades. Various Committees and Commissions appointed from time to time, for enquiring into the working conditions of industrial labour in India, have never failed to pin-point the urgency and utility of ameliorative measures for promoting the welfare of the workers. Government legislation has been quick in response and various enactments passed thereby have gone a long way in improving the lot of the working class. Besides facilities provided in compliance to the law, there are many items of welfare which some of the employers have voluntarily undertaken for the benefit of their employees. Apart from humanitarian considerations, the importance of the provision of welfare amenities has been increasingly recognised from the point of view of preservation of the efficiency of workers which, in turn, contributes to higher productivity.

During the present Survey, an attempt was made to assess the extent to which the Fine and Pharmaceutical Chemical factories in India had actually provided welfare facilities to their workers. The information collected in respect of various welfare activities (both obligatory and non-obligatory) is presented in the following paragraphs.

5.1. Drinking Water Facilities

The Survey has revealed that all the Fine and Pharmaceutical Chemical factories surveyed had made suitable arrangements for the supply of drinking water within the factory premises. There was, however, a considerable diversity in the type of the arrangements made as is evident from Statement 5.1. It is estimated that in the industry, as a whole, about 24 per cent. of the factories had taps only, 20 per cent. earthen pitchers only, 2 per cent. buckets or drums only, one per cent. tube wells only whereas the rest had an assortment of various types of arrangements e.g., earthen pitchers, tube wells, etc.

Keeping in view the hygienic considerations, the Factories Act, 1948, prohibits the location of any drinking water point within 20 feet of latrines and urinals. During the course of the Survey, it was observed that in about one-tenth of the Fine and Pharmaceutical Chemical factories in the country, drinking water points were located within the prohibited distance. More than half of such factories were located in 'Bombay' while the rest were in the 'Residual Group'. While in the 'Residual Group', such units were all small, in 'Bombay' they belonged to both large and small factories.

STATEMENT 5.1

Drinking Water Facilities in the Fine and Pharmaceutical Chemicals Industry.

(1965-66)

Centre	Total Number of Factories	Percentage of Factories where Drinking Water Facilities existed	Percentage of Factories where Water was supplied through		
			Earthen Pitchers only	Taps only	Tube Wells only
1	2	3	4	5	6
1. Calcutta and 24 Parganas	51	100.0	10.1	24.8	10.1
Large Factories ..	15	100.0	—	50.0	—
Small Factories ..	36	100.0	14.3	14.3	14.3
2. Rest of West Bengal ..	7	100.0	28.6	21.4	—
Large Factories ..	3	100.0	—	50.0	—
Small Factories ..	4	100.0	50.0	—	—
3. Bombay ..	81	100.0	39.2	16.7	—
Large Factories ..	20	100.0	20.0	40.0	—
Small Factories ..	61	100.0	45.5	9.1	—
4. Rest of Maharashtra ..	20	100.0	20.0	—	—
Large Factories ..	8	100.0	50.0	—	—
Small Factories ..	12	100.0	—	—	—
5. Residual ..	189	100.0	13.3	30.1	—
Large Factories ..	30	100.0	—	50.0	—
Small Factories ..	159	100.0	15.8	26.3	—
6. All India ..	348	100.0	19.5	24.3	1.5
Large Factories ..	76	100.0	10.5	42.1	—
Small Factories ..	272	100.0	22.0	19.3	1.9

Centre	Percentage of Factories where Water was supplied through			Percentage of Factories having arrangements for Cooled Water during Summer
	Buckets or Drum only	Combination of one or more viz., earthen pitchers, tube wells, taps, etc.	Others**	
1	7	8	9	10
1. Calcutta and 24 Parganas	—	55.0	—	55.0
Large Factories ..	—	50.0	—	57.1
Small Factories ..	—	57.1	—	50.0
2. Rest of West Bengal ..	—	50.0	—	78.6
Large Factories ..	—	50.0	—	100.0
Small Factories ..	—	50.0	—	50.0
3. Bombay ..	—	44.1	—	100.0
Large Factories ..	—	40.0	—	100.0
Small Factories ..	—	45.4	—	100.0
4. Rest of Maharashtra ..	—	60.0	20.0	100.0
Large Factories ..	—	—	50.0	100.0
Small Factories ..	—	100.0	—	100.0
5. Residual ..	4.4	47.8	4.4	78.8
Large Factories ..	—	50.0	—	50.0
Small Factories ..	5.2	47.4	5.3	84.2
6. All India ..	2.4	48.7	3.6	81.5
Large Factories ..	—	42.1	5.3	68.4
Small Factories ..	3.1	50.6	3.1	86.0

**Refrigerated water and well water.

The Factories Act, 1948 provides that every factory employing more than 250 workers should supply cooled drinking water during certain specified period of the year. On the basis of the information collected during the Survey, it is estimated that approximately 12 per cent. of the units surveyed were under this obligation and all of them had complied with the legal requirement. However, some more units, though under no statutory obligation, had also made the arrangements for the supply of cooled water during summer and as such, the percentage of units where these arrangements actually existed in the Industry was about 82. Centre-wise details are given in Col. 10 of Statement 5-1.

5.2. Washing Facilities

Under the Factories Act, 1948, it is obligatory for every factory to provide and maintain adequate and suitable washing facilities for the use of workers. The present Survey has shown that washing facilities existed in nearly 89 per cent. of the Fine and Pharmaceutical Chemical factories in the country. In 'Bombay' and 'Rest of Maharashtra', all the factories surveyed were found to have made such arrangements. In the remaining three centres, the percentage of factories having made similar arrangements was 71 in 'Rest of West Bengal', 90 in 'Calcutta and 24 Parganas' and 84 in 'Residual Group'. Wash basins with taps and taps on stand pipes were the predominant arrangements for this purpose as they existed in about 64 per cent. of the factories, providing washing facilities. Other arrangements were in the form of water stored in receptacles (5%) and taps, tube wells and hand pumps (10%). In the remaining about 21 per cent. of the factories, more than one arrangement existed for the purpose. The Survey has also revealed that some cleansing material like soap, etc., was being provided to workers in about 97 per cent. of the factories having washing facilities. The facilities were accessible in almost all the cases.

Of the factories employing women and providing washing facilities, about 52 per cent. had provided separate places for their use and they were properly screened to afford privacy.

5.3. Bathing Facilities

Survey results show that only about half of the factories had provided bathing facilities. As regards different centres of the Industry, the proportion of such factories, was about 85 per cent. in 'Calcutta and 24 Parganas', 80 per cent. in 'Rest of Maharashtra', about 47 per cent. in 'Bombay', 43 per cent. in 'Rest of West Bengal' and about 38 per cent. in 'Residual Group'. Such units had also made separate arrangements for female workers, wherever employed. Bathing places, wherever provided, were well maintained and kept clean.

5.4. Canteens

Under the Factories Act, 1948, State Governments have been empowered to make Rules requiring that in any specified factory, wherein more than 250 workers are ordinarily employed, a canteen or canteens conforming to the prescribed standards should be provided for the use of workers. The present

Survey has revealed that about 12 per cent. of the factories, all of them being large sized, were under an obligation to provide canteens. Of these, about 88 per cent. had complied with the legal requirement. The defaulting factories belonged to the 'Residual Group'. Some of the large factories in 'Bombay', 'Rest of Maharashtra' and the 'Residual Group' and a few small factories in the 'Residual Group', though employing less than 250 workers, had also provided canteens and, thus, in the Industry as a whole, canteens existed in about one-fifth of the factories. In nearly 11 per cent. of the units having canteens, only tea, coffee, and snacks etc., were sold to the workers, about 6 per cent. served meals only while in the rest, the canteens had arrangements for the sale of tea, coffee, snacks, etc., as well as meals. Adequate drinking water arrangements in the canteen halls were found to have been made in all large factories and three-fifths of the small factories having canteens.

In about half of the factories having canteens, the same were being run by the contractors, in about 31 per cent., directly by the managements and in the remaining (*i.e.* 19 per cent.) jointly by the managements and contractors. Canteen Managing Committees existed in about 51 per cent. of the units having canteens. Prices of various items sold in the canteens were being fixed by the Canteen Managing Committees in about 51 per cent. of units having canteens, by the managements in about 29 per cent. of the units and in the rest by the contractors. In about one-third of the factories having canteens (comprising all such factories in 'Rest of West Bengal', about 57 per cent. in 'Residual Group' and about 31 per cent. in 'Bombay'), the managements were giving regular subsidy to canteens with the object of selling articles at cheap rates. In one factory located in 'Calcutta and 24 Parganas', constituting about 5 per cent. of such factories in the country, the management was bearing the entire cost of the canteen in which only free meals were served to the workers. In about 35 per cent. of the factories, items were being sold on a 'no-profit, no-loss' basis while the remaining 27 per cent. of the factories charged market prices. It was also found that, in about 57 per cent. of the factories having Canteen Managing Committees (comprising all such factories in 'Bombay' and 'Rest of Maharashtra'), price lists of various items sold, as approved by the Canteen Managing Committees, were displayed in the canteen halls.

Of the total estimated number of about 41,000 workers employed in the Fine and Pharmaceutical Chemical factories having canteens, approximately 31,900 workers (or about 78 per cent.) were reportedly visiting canteens daily. This proportion was the highest in the 'Residual Group' (about 90%), closely followed by 'Bombay' (about 87%) and the lowest in 'Calcutta and 24 Parganas' (about 34%). It was also observed that in about 87 per cent. of the factories having canteens, the latter were located satisfactorily in as much as they were some distance away from the work places and their surroundings were clean. In nearly four-fifths of the factories, the hygienic conditions of the canteens were found to be satisfactory. However, in the remaining factories *i.e.*, about 20 per cent., they left much to be desired from the hygienic point of view.

5.5. Creches

The Factories Act, 1948, requires all factories employing more than 50 women workers to maintain a creche of a prescribed standard. It is estimated that though about half of the Fine and Pharmaceutical Chemical factories in the country had women workers on their rolls during March, 1965, only about 9 per cent. (all of which were of large size and located in 'Bombay') had employed more than 50 women workers. The Survey results show that about three-fourths of such factories (constituting about 3% of all factories) had provided creches. In all of them, the conditions of the creches were satisfactory. These creches, besides being located in congenial surroundings, were found to be properly ventilated, furnished and maintained in a clean and tidy condition. In about two-thirds of the factories having creches, children attending the creches were being provided with milk, refreshments, toys, clean clothes, soap and towels. There was full-time staff to look after the children.

5.6. Lockers

Locker facilities for keeping clothes were found to have been provided in about 18 per cent. of the factories in the Industry. The proportion of such factories was much higher among large-size factories (about 65 per cent.) than among the small ones (about 5 per cent.). Actually, none of the small factories located in 'Calcutta and 21 Parganas', 'Rest of West Bengal' and 'Rest of Maharashtra' had provided this facility.

5.7. Rest Shelters

Maintenance of rest shelters is obligatory under the Factories Act, 1948, for every factory wherein more than 150 workers are ordinarily employed. However, those factories which maintain canteens in accordance with the provision of the Factories Act are exempted from providing restshelters. Information collected during the Survey shows that about 20 per cent. of the Fine and Pharmaceutical Chemical factories in the country were employing more than 150 workers. Of these, about half (which included all such units located in 'Rest of Maharashtra', about two-thirds of the units in 'Residual Group' and about 40 % of the units located in 'Bombay') had actually provided rest shelters. It was, however, observed that about three-fourths of those units which had employed more than 150 workers but had no rest shelters had canteen facilities and as such were not required to provide separate rest shelters for the workers. Of the remaining units, which had neither rest shelters nor canteens, in one unit, located in the 'Residual Group', a rest shelter was actually under construction at the time of the Survey. The contention of some of the managements who had not provided rest shelters was that they did not consider the provision of the rest shelter necessary. On the other hand, there were a few units, all large ones located in 'Bombay' and 'Residual Group', which, though under no obligation, had provided rest shelters. Thus, it is estimated that in the Industry as a whole, rest shelters had been provided in about 16 per cent. of factories.

Rest shelters, wherever provided, were found to be quite well-lighted and ventilated and afforded adequate protection from bad weather. Drinking water had been provided in about two-thirds of the factories having rest shelters. All the rest shelters had some furniture like benches and tables.

5.8. Recreation Facilities

The present Survey has revealed that nearly 12 per cent. of the Fine and Pharmaceutical Chemical factories in the country, comprising about 38 per cent. of the large and about 4 per cent. of the small factories, had provided some type of recreation facilities for their employees. The proportion of such factories was the highest (40%) in 'Rest of Maharashtra' and the lowest (about 7%) in 'Calcutta and 24 Parganas'. In 'Rest of West Bengal' and 'Bombay', the proportion of the factories which had provided such facilities was 21 and 33 per cent. respectively. In the 'Residual' centre, none of the units surveyed had provided any recreation facility for workers. The recreation facilities existed in only large factories in all the centres except 'Bombay' where a small proportion i. e., about 18 per cent. of small factories had provided such facilities. As regards the type of facilities provided, indoor and out-door games existed in about 81 and 72 per cent. of the factories respectively, arrangements for film shows existed in about 57 per cent., dramas were being organised in about 43 per cent., radio sets had been provided in about 4 per cent. and religious and social functions were being organised in about 24 per cent. of these factories.

In nearly nine-tenths of the factories providing recreation facilities, the cost of such facilities was being met either by the managements or from the welfare funds of the units. In the rest, these were financed solely through the workers' contributions. In about 57 per cent. of the factories having recreation facilities, the facilities were available to all workers while the rest afforded opportunities for recreation to only those members who paid some subscription. The facilities provided were being managed through a Committee in about 81 per cent. of these factories, by the Labour Welfare Officers in about 10 per cent. of the factories and directly by the management in the rest.

5.9. Educational Facilities

The present Survey has revealed that arrangements for the education of workers' children were existing in the Industry on a meagre scale as hardly 2 per cent. of the factories, all being large sized (comprising half of the large units in the 'Rest of West Bengal' and one-fourth of the large units in 'Calcutta and 24 Parganas') had provided these facilities. In all these units, educational facilities were available up to primary standard only. Besides the workers' children, other children were also admitted in these schools. No other facility such as provision of free books, etc., was reported to have been provided in any of the factories surveyed. No arrangements existed for adult education in any of the factories surveyed.

5.10. Medical Facilities

During the course of the Survey, it was observed that the Employees' State Insurance Scheme had been implemented in about 61 per cent. of the Fine and Pharmaceutical Chemical factories in the country and the workers employed therein were availing the medical facilities as provided under the Scheme. The proportion of such factories was the highest in 'Calcutta and

24 Parganas' (about 90%), followed by 'Bombay' (about 86%). The corresponding percentage in 'Rest of Maharashtra', 'Rest of West Bengal' and 'Residual Group' was 60, 57 and 43 respectively.

5.10.1. Hospital and Dispensaries

The present Survey has revealed that about one-third of the large factories (including all large factories in 'Rest of West Bengal', half of those in 'Rest of Maharashtra', one-third in 'Residual Group', one-fourth in 'Calcutta and 24 Parganas' and one-fifth in 'Bombay') and about 5 per cent. of small factories in all the centres, accounting for about 11 per cent. of all Fine and Pharmaceutical Chemical factories in the country, had dispensaries/hospitals attached to them. In about 50 per cent. of these factories, the hospitals/dispensaries were under the charge of full-time doctors, in about 39 per cent. under part-time doctors while in the rest they were manned by full-time as well as part-time doctors. Hours for which part-time doctors were generally available during a week varied from more than 6 to 24. Besides full-time or part-time doctors, other staff appointed in these hospitals/dispensaries generally included nurses, compounders, *ayahs*, etc. About 12 per cent. of large factories and about 16 per cent. of small ones, constituting about 15 per cent. of all factories in the country, had made arrangements with outside doctors, dispensaries, etc., for the medical treatment of their employees.

Doctors attached to dispensaries or hospitals generally visited workers' houses also. Certifying medical fitness of workers at the time of recruitment, periodic medical check-up, issue of medical certificates for sick leave, etc., were some of the other duties of these doctors. It was further observed that in the factories providing medical facilities and employing contract labour, these facilities were not extended to such labour.

5.10.2. Ambulance Rooms

Under the Factories Act, 1948, every factory employing more than 500 workers is required to maintain an ambulance room. The rules framed by the State Governments prescribe the standard as well as equipment of such rooms. On the basis of the data collected during the Survey, it is estimated that only about 4 per cent. of the factories in India, all being large ones and comprising half of such factories in 'Rest of West Bengal', one-fourth in 'Calcutta and 24 Parganas,' one-fifth in 'Bombay' and one-sixth in 'Residual Group', were under the statutory obligation to provide ambulance rooms. Of these, a little more than half (about 54%) had provided ambulance rooms. These factories consisted of all large factories (under the statutory obligation) in 'Calcutta and 24 Parganas' and 'Bombay'. None of such factories in 'Rest of West Bengal' and 'Residual Group' had fulfilled its obligation in this regard. It was also observed that a few units located in 'Bombay' and 'Rest of Maharashtra', though under no statutory obligation, had also provided ambulance rooms for the benefit of their employees. Thus it is estimated that in the Industry, as a whole, ambulance rooms had been provided in about 7 per cent. of the units.

In hardly one-fifth of the factories having ambulance rooms, the latter were under the charge of full-time doctors while in about three-fifths of such

factories, they were looked after by part-time doctors. In the rest, they were not manned by any trained personnel. It may, however, be stated that in about three-fifths of the factories having ambulance rooms, the latter were attached to the dispensaries in these units and no separate staff exclusively for ambulance rooms had been provided.

5-10-3. First-Aid Boxes

The Factories Act, 1948, lays down that every factory shall maintain first-aid boxes, at the rate of one for every 150 workers ordinarily employed. Standards have also been laid down regarding the items to be provided in the first-aid boxes. The law further requires that such boxes should be readily accessible to workers during all the working hours.

The Survey has revealed that all the factories covered in 'Rest of West Bengal' and 'Rest of Maharashtra', about 93 per cent. in 'Bombay', 88 per cent. in the 'Residual Group' and 83 per cent. in 'Calcutta and 24 Parganas', or about 90 per cent. of the Fine and Pharmaceutical Chemical factories in the country, had provided first-aid boxes for the use of their workers. Though it is mandatory that each first-aid box should be under the charge of a trained first-aid-er, it was found that only 56 per cent. of the units having first-aid boxes had trained first-aiders. The corresponding proportion was about 65 per cent. in the 'Residual Group', 60 per cent. in 'Rest of Maharashtra', nearly 58 per cent. in 'Bombay' and about 21 per cent. each in 'Rest of West Bengal' and 'Calcutta and 24 Parganas'. In 97 per cent. of the units having trained first-aiders, the latter had received training under St. John Ambulance or Red Cross Societies.

The first-aid boxes were found to be complete in respect of their contents in about 73 per cent. of the factories having them. In the remaining factories, the first-aid boxes were found to be deficient in one or more items. It was also noticed that in hardly two per cent. of the factories (all small ones located in 'Calcutta and 24 Parganas'), they were not easily accessible to workers.

5-11. Transport Facilities

The workers in the Fine and Pharmaceutical Chemical factories were generally not enjoying any transport facility. It was in only one large factory located in 'Rest of Maharashtra' that transport facilities had been provided to the workers. However, as mentioned elsewhere in this Report (Chapter III), about 5 per cent. of Fine and Pharmaceutical Chemical factories in the country were paying transport or conveyance allowance to the workers.

5-12. Other Amenities

The Survey results indicate that approximately 3 per cent. of the Fine and Pharmaceutical Chemical factories in the country were running grain shops for the benefit of their workers. The units were all large ones and comprised half of the large units in 'Rest of West Bengal', one-fifth in 'Bombay' and one-sixth of large units in 'Residual Group'. In all the units, except those located in 'Rest of West Bengal', foodgrains were sold at market prices while in the units located in 'Rest of West Bengal' they were sold at cost price.

Co-operative credit societies were reported to be functioning in about one-sixth of the Fine and Pharmaceutical Chemical factories in the country, comprising 40 per cent. of the factories in 'Rest of Maharashtra', 25 per cent. in 'Calcutta and 24 Parganas', 15 per cent. in 'Bombay' and about 12 per cent. in the 'Residual Group'. Co-operative stores were being run in 4 per cent. of the factories. They constituted half of the large factories of 'Rest of West Bengal', one-sixth of the large factories of 'Residual' centre and about 17 per cent. of all (both large and small together) factories of 'Calcutta and 24 Parganas'.

Thus, co-operatives, either credit societies or stores, existed in about 18 per cent. of the factories and, of them, in only about 27 per cent., managements were reported to be giving some financial assistance to such co-operatives. They included all small and half of the large factories in 'Calcutta and 24 Parganas', all large factories of 'Rest of Maharashtra' and one-third of the large factories of 'Bombay'.

Protective clothings to the workers were reported to have been provided in about nine-tenths of the large factories and about 59 per cent. of the small factories, together constituting about two-thirds of the Fine and Pharmaceutical Chemical factories in the country. Such facilities were found to be existing in all large factories in 'Rest of West Bengal', 'Bombay' and 'Rest of Maharashtra'.

5.13. Housing Facilities

The present Survey has revealed that, by 1965-66, about 21 per cent. of the Fine and Pharmaceutical Chemical factories in the country had provided housing accommodation to their employees though the proportion of workers housed differed from factory to factory. It is significant to note that housing facilities existed in all large factories in 'Rest of West Bengal' and 'Rest of Maharashtra' and two-thirds of large factories in 'Residual Group' as against only about one-fourth and one-fifth of large factories in 'Calcutta and 24 Parganas' and 'Bombay' respectively. Details appear in Statement 5.2.

It would be seen from the Statement (5.2) that a majority of the houses *i.e.*, about 52 per cent., were two-roomed. While in 'Calcutta and 24 Parganas' and 'Bombay', a majority of the houses were one room tenements, in 'Rest of West Bengal' and 'Residual' centre, they were of two rooms each. Generally, one-room tenements were allotted to 'Production Workers' and 'Watch and Ward Staff', two-room houses to Clerical and Supervisory Staff of the low-income group, and houses of three or more rooms were allotted to Professional, Technical, Administrative and Managerial Personnel. Of the houses provided, nearly 93 per cent. were *pucca* built and the rest were *kutch*a built. It is worth mentioning that all the houses provided to the workers in 'Rest of West Bengal', 'Bombay' and 'Rest of Maharashtra' and in large factories of 'Residual Group' were *pucca* built. Most of the Fine and Pharmaceutical Chemical factories providing houses were either not charging any rent from their employees or the rent was charged from only certain categories of workers. Thus, in about 73 per cent. of the units, all the houses were completely rent free, in about 20 per cent., some

houses were rent free while in the remaining ones *i.e.*, about 7 per cent., rent was being charged for all the houses. The percentage of units charging no rent at all was quite high (84) in case of small units while it was 64 among the concerned large units.

STATEMENT 5.2

Estimated Percentage of Factories in the Fine and Pharmaceutical Chemical Industry Providing Houses, etc.

(1965-66)

Centre	Number of Factories	Percentage of Factories Providing Houses	Percentage of Houses Consisting of				
			One Room	Two Rooms	Three Rooms	Four Rooms	More than Four Rooms
1	2	3	4	5	6	7	8
1. Calcutta and 24 Parganas	51	27.5	93.7	6.3	—	—	—
Large Factories	..	15	25.0	94.5	5.5	—	—
Small Factories	..	36	28.6	83.3	16.7	—	—
2. Rest of West Bengal	..	7	71.4	—	90.5	9.5	—
Large Factories	..	3	100.0	—	96.1	3.9	—
Small Factories	..	4	50.0	—	—	100.0	—
3. Bombay	..	81	11.8	58.6	—	35.6	5.8
Large Factories	..	20	20.0	59.6	—	40.4	—
Small Factories	..	61	9.1	57.1	—	28.6	14.3
4. Rest of Maharashtra	..	20	40.0	12.1	48.8	34.2	—
Large Factories	..	8	100.0	12.1	48.8	34.2	—
Small Factories	..	12	—	—	—	—	—
5. Residual	..	189	19.4	18.0	72.9	1.0	6.7
Large Factories	..	30	66.7	5.5	91.1	—	1.4
Small Factories	..	159	10.5	49.8	26.6	3.5	20.1
6. All India	..	348	21.1	28.7	51.6	14.7	2.7
Large Factories	..	76	51.0	24.9	56.3	15.7	0.4
Small Factories	..	272	12.7	52.4	22.3	8.1	17.2

It has been estimated on the basis of the Survey, that of the total number of about 56,000 workers (covered under the Factories Act, 1948) employed in the Fine and Pharmaceutical Chemicals Industry on the 31st March, 1965, only 4 per cent. had been provided houses by the employers. This proportion was the highest in 'Rest of West Bengal' (17%), followed closely by 'Rest of Maharashtra' (slightly less than 17%) and the lowest in 'Bombay' (less than one per cent.). Details appear in Statement 5.3.

STATEMENT 5.3

Estimated Percentage of Workers Allotted Houses in the Fine and Pharmaceutical Chemicals Industry

(1965-66)

Centre	Number of Factories	Number of Workers Employed*	Percentage of Workers Allotted Houses
1	2	3	4
1. Calcutta and 24 Parganas	51	8,794	5.7
Large Factories ..	15	6,873	5.3
Small Factories ..	36	1,921	6.9
2. Rest of West Bengal ..	7	1,165	17.0
Large Factories ..	3	882	17.5
Small Factories ..	4	283	15.6
3. Bombay ..	81	21,330	0.7
Large Factories ..	20	18,332	0.6
Small Factories ..	61	2,998	1.6
4. Rest of Maharashtra ..	20	4,894	16.7
Large Factories ..	8	4,242	19.3
Small Factories ..	12	652	—
5. Residual ..	189	20,106	2.9
Large Factories ..	30	13,408	2.4
Small Factories ..	159	6,698	3.9
6. All India ..	348	56,289	4.0
Large Factories ..	76	43,737	4.0
Small Factories ..	272	12,552	3.8

*Covered' under the Factories Act, 1948.

No house-building facilities were being provided to the employees in any of the Fine and Pharmaceutical Chemical factories surveyed.

CHAPTER VI

SOCIAL SECURITY

From the workers' point of view, a matter perhaps as important as the wages he gets, is the provision for his future. Largely as a result of statutory measures adopted by the Government of India, such as the Employees' Provident Funds Act, 1952, workers in Fine and Pharmaceutical Chemicals Industry, as in case of other industries, now enjoy a fair measure of social security benefits. The following paragraphs describe the existing position in the Fine and Pharmaceutical Chemicals Industry as revealed by the Survey.

6.1. Provident Fund Schemes

With the introduction of the Employees' Provident Fund Scheme in the Fine and Pharmaceutical Chemicals Industry in July, 1956, the provident fund benefit is now available to workers on a large scale. Information collected during the Survey shows that provident fund schemes were operating in about 84 per cent. of the factories, comprising all large factories and four-fifths of the small factories in the country. Since the Employees' Provident Funds Act does not apply to all the units in the Industry and provides for exemption to some categories of them, the proportion of factories having the provident fund schemes in the various centres of the Industry naturally differed but in none of the centres, the percentage of factories where provident fund schemes existed was less than 79. As regards different centres, it is noteworthy that in 'Calcutta and 24 Parganas' and 'Rest of West Bengal', all the factories surveyed provided the facility of provident funds while in the remaining three centres viz., 'Bombay', 'Rest of Maharashtra' and 'Residual', respective percentages were 79, 80 and 82. Data collected further show that the Employees' Provident Funds Scheme existed in all the factories having provident funds and consequently the scope, rate of contributions and the conditions of eligibility were the same as laid down in the Scheme. Half of the large factories in 'Rest of Maharashtra' and one-fifth of such factories in 'Bombay' were having some other provident fund schemes as well for the benefit of those of their employees who were not covered under the Employees' Provident Funds Scheme. Under these schemes, all those employees who held officers' posts and who had completed at least one year's service, were admitted as members. The rate of contribution under these schemes was 10 per cent. of the basic pay/wages and dearness allowance. Employers were contributing an equal amount in all the cases.

On the basis of the information collected, it is estimated that approximately 45 thousand workers in the Industry, i.e., about 80 per cent. of the total number of workers covered under the Factories Act, 1948, were members of the provident fund schemes as on 31st March, 1965. Details about the percentage of factories having provident fund schemes, extent of membership, etc., are given in Statement 6.1.

STATEMENT 6·1

Estimated Percentage of Fine and Pharmaceutical Chemical Factories having Provident Fund Schemes, etc., (31st March, 1965)

Centre	Number of Factories	Percent- age of Factories having Provident Fund Schemes	Percentage (of col. 3) of Factories having		Total Number of Workers* employed as on 31-3-1965	Percent- age of Workers who were Members of the Provident Fund Schemes (i.e. % of Col. 6)
			Emp- loyees' Provident Fund Scheme	Emp- loyees' Provident Scheme and Other Schemes		
1	2	3	4	5	6	7
1. Calcutta and 24 Parganas	51	100·0	100·0	—	8,794	87·6
Large Factories ..	15	100·0	100·0	—	6,873	92·2
Small Factories ..	36	100·0	100·0	—	1,921	71·4
2. Rest of West Bengal ..	7	100·0	100·0	—	1,165	83·4
Large Factories ..	3	100·0	100·0	—	882	95·0
Small Factories ..	4	100·0	100·0	—	283	61·5
3. Bombay ..	81	79·5	93·8	6·2	21,330	82·0
Large Factories ..	20	100·0	80·0	20·0	18,332	83·2
Small Factories ..	61	72·7	100·0	—	2,998	71·7
4. Rest of Maharashtra	20	80·0	75·0	25·0	4,891	88·7
Large Factories ..	8	100·0	50·0	50·0	4,242	92·7
Small Factories ..	12	66·7	100·0	—	652	62·1
5. Residual	189	82·3	100·0	—	20,106	73·2
Large Factories ..	30	100·0	100·0	—	13,408	76·6
Small Factories ..	159	79·0	100·0	—	6,698	66·4
6. All India ..	348	84·5	97·3	2·7	56,289	80·4
Large Factories ..	76	100·0	89·5	10·5	43,737	83·7
Small Factories ..	272	80·1	100·0	—	12,552	68·8

*'Covered' under the Factories Act, 1948.

6·2. Pension Schemes

In the course of the present Survey, it was noticed that pension schemes were not common in Fine and Pharmaceutical Chemicals Industry as only one of the large units located in the 'Residual Group' (constituting less than 2 per cent. at the Industry level) had a pension scheme for its employees. The scheme was a regular one and covered only those workers who were working in the factory since 1913. The condition of eligibility was a minimum of 30 years' service and the rate of payment was half average basic pay of the last year of service. It was, however, noted that no worker had drawn any pension during 1964.

6.3. Gratuity Schemes

The present Survey has revealed that about 29 per cent. of the Fine and Pharmaceutical Chemical factories in the country (comprising about 65 per cent. of large and 19 per cent. of small factories) were having gratuity schemes for their workers. As between the different centres, the proportion of the units having gratuity schemes was the highest i.e. 52 per cent., in 'Bombay', comprising all large and 36 per cent. of small factories. In 'Rest of Maharashtra', the corresponding percentage was 40 (about 50 per cent. of large and 33 per cent. of small factories). In 'Calcutta and 24 Parganas' and 'Rest of West Bengal', where only large factories had these schemes, the corresponding percentages were about 7 and 21 respectively. About one-third of the large factories in 'Residual Group' were reported to be having gratuity schemes.

In all these factories, gratuity was payable to the workers on retirement. In about 87 per cent. of the factories (constituting all the factories having gratuity schemes in 'Calcutta and 24 Parganas', 'Rest of West Bengal', 'Bombay' and 'Rest of Maharashtra' and about 70 per cent. of such factories in 'Residual (Group)') gratuity was also payable in case of death to the dependants of the workers. Generally, in case of death or in the event of a worker becoming physically or mentally incapable of further service, the gratuity was paid without any preconditions of length of service, etc. However, in case of retirement, resignation or termination of service, except on account of misconduct, the rate of payment was linked to the number of years of service put in by the worker. Generally, in case of normal retirement, a minimum continuous service of 5 to 15 years was insisted upon. In one large factory located in 'Bombay', however, the gratuity was payable after completing a service of one year only. In two units, located in 'Bombay' and 'Rest of Maharashtra', the minimum service required for female workers was 10 years as against 15 years required for male workers. In a few factories located in 'Calcutta and 24 Parganas', the rate of payment was linked with the service put in and it increased with the increase in the length of service.

In about 83 per cent. of the factories, the scheme was reported to be on a regular basis. The remaining 17 per cent. factories, where the scheme was not on a regular basis, were all small factories located in 'Residual Group'.

In all but one small size factory located in 'Rest of Maharashtra', the gratuity was payable to all categories of workers, though, in about one-fourth of these factories (all large ones and located in 'Bombay' and 'Rest of Maharashtra') the benefit was restricted to permanent workers only. In the small factory in 'Rest of Maharashtra', referred to above, the benefit was available to the 'Production and Related Workers' and 'Watch and Ward and Other Services' staff only. It was also observed that contract labour, which was found, employed in only one of the factories surveyed in the 'Residual Group' was deprived of the benefits of the gratuity scheme as it was applicable to directly employed workers only.

On the basis of data collected during the Survey, it has been estimated that 254 workers in the Fine and Pharmaceutical Chemicals Industry received gratuity during 1964.

6-4. Maternity Benefits

Legislation providing for payment of cash maternity benefits for certain periods before and after confinement, granting of leave and certain other facilities, etc., to women employed in factories exists in almost all the States under the Maternity Benefit Acts passed by the State Governments. However, where the Employees' State Insurance Scheme has been implemented, the employers are absolved of their liability under the concerned Maternity Benefit Act.

At the time of the present Survey, the Employees' State Insurance Scheme was in operation in some of the areas, such as 'Bombay', 'Calcutta and 24 Parganas' and some parts of other centres. Wherever the Employees' State Insurance Scheme was in operation, the workers were getting the maternity benefits as available under the scheme.

During the present Survey, information about the number of maternity claims made and accepted for payment by the managements during 1964 was collected from the sampled units not covered under the Employees' State Insurance Scheme and employing women workers.

Though women were employed in almost half of the factories covered in the Industry, it was only in four units constituting about 11 per cent. of the factories in the country that during 1964 the maternity benefit claims numbering about 90 were made and accepted for payment. Of the four units mentioned above, the three large units were located one each in 'Rest of West Bengal', 'Bombay' and 'Residual Group', while the fourth factory, a small one, was also located in 'Residual Group'. In the factory located in 'Bombay', though the Employees' State Insurance Scheme had been implemented at the time of the Survey, all the women employees who received the benefit from the management were drawing more than Rs. 400 per month as their remuneration and hence were not entitled to the benefits under the Employees' State Insurance Scheme. The remaining three units were located in the areas where the Employees' State Insurance Scheme had not been implemented till the date of the Survey.

6-5. Industrial Accidents

The Workmen's Compensation Act, 1923, as amended from time to time, and the Employees' State Insurance Act, 1948, provide for compensation to workers who are injured on account of accidents arising out of and in the course of employment. Provisions of the Workmen's Compensation Act were applicable, at the time of the Survey, to all the factories excepting those covered under the Employees' State Insurance Scheme.

Information was collected during the Survey in respect of the number and nature of accidents which took place during 1964 in all Fine and Pharmaceutical Chemical factories whether covered or not under the Employees' State Insurance Scheme. It is estimated that during 1964 accidents had occurred in about 20 per cent. of the Fine and Pharmaceutical Chemical factories in the country, comprising about 65 per cent. of large and 7 per cent. of small factories. The proportion of such factories was reported to be the highest (about 40 per cent.) in 'Rest of Maharashtra', closely followed by 'Bombay (about 38 per cent.). In 'Rest of West Bengal' and in small factories in 'Calcutta and 24 Parganas, and 'Rest of Maharashtra', on the contrary, accidents had not been reported

in any of the units surveyed. The proportion of the factories reporting accidents was found to be much higher amongst large ones in all the centres. An estimated number of 2,115 workers was involved in accidents in the Fine and Pharmaceutical Chemicals Industry during the year 1964. Perhaps a better picture of occurrence of accidents can be had when the number of workers involved in them is viewed vis-a-vis the total number employed. The rate of accidents per thousand workers, based on the estimate of average number employed during 1964, as also distribution of workers involved by nature of accidents are given in Statement 6.2.

STATEMENT 6.2

Estimated Proportion of Workers Involved in Accidents by Nature of Accidents in the Fine and Pharmaceutical Chemicals Industry

(1964)

Centre	Percent- age of Factories where Accidents were reported	Estimated Average Daily Number of Workers Employed	Number of Workers Involved in Accidents per 1,000 Workers Employed Resulting in			
			Death	Permanent Disability	Temporary Disability	Total
1	2	3	4	5	6	7
1. Calcutta and 24 Parganas	22.1	7,971	—	—	16.6	16.6
Large Factories ..	75.0	6,350	—	—	20.8	20.8
Small Factories ..	—	1,621	—	—	—	—
2. Rest of West Bengal ..	—	930	—	—	—	—
Large Factories ..	—	773	—	—	—	—
Small Factories ..	—	157	—	—	—	—
3. Bombay ..	38.4	16,920	0.3	—	81.1	81.4
Large Factories ..	100.0	14,414	0.4	—	94.8	95.2
Small Factories ..	18.2	2,506	—	—	2.0	2.0
4. Rest of Maharashtra ..	40.0	5,678	—	—	39.1	39.1
Large Factories ..	100.0	3,633	—	—	61.1	61.1
Small Factories ..	—	2,045	—	—	—	—
5. Residual ..	9.7	15,214	1.1	1.2	22.9	25.2
Large Factories ..	33.3	9,914	—	1.8	30.9	32.7
Small Factories ..	5.3	5,300	3.2	—	8.1	11.3
6. All-India ..	19.7	46,713	0.5	0.4	44.4	45.3
Large Factories ..	64.8	35,084	0.1	0.5	57.8	58.4
Small Factories ..	7.2	11,629	1.5	—	4.1	5.6

It will be seen from the Statement (6·2) that the rate of accidents in the Industry, as a whole, was about 45 per thousand workers employed. This rate was the highest (about 81) in 'Bombay' and the lowest (*i.e.*, about 17) in 'Calcutta and 24 Parganas'.

Further, the number of workers involved in accidents in the industry was much higher in large factories than in small ones. The number of persons involved in fatal accidents or those involving permanent disability was negligible and majority of the workers were involved in minor accidents causing only temporary disabilities.

6·6. Occupational Diseases

None of the factories surveyed in the Fine and Pharmaceutical Chemicals Industry had reported any occupational disease afflicting its workers.

CHAPTER VII

INDUSTRIAL RELATIONS

Most of the causes that lead to industrial unrest have been operative in India ever since the establishment and growth of large-scale industries in the middle of the last century. Strikes were, however, not very common in the country prior to 1918-19 mainly due to an illiterate and unorganised labour force. The tempo of economic activity was considerably stepped up during the First World War and this led to mass awakening amongst the working class. Acute discontentment became increasingly manifest in most of the industrial centres in the country and consequently the Government could not continue sticking to the policy of *laissez faire* any more. From then onward, and particularly since the country's Independence, considerable thought and action have been devoted to matters pertaining to the improvement of labour management relations. Various Acts passed by the Government of India (notably the Industrial Disputes Act, 1917) and the State Governments have gone a long way in improving industrial relations in the country.

During the present Survey, information was collected on some important aspects of industrial relations in the Fine and Pharmaceutical Chemicals Industry and the findings are discussed in the following paragraphs.

7.1. Industrial Disputes

Data pertaining to industrial disputes in the Fine and Pharmaceutical Chemicals Industry were not collected during the present Survey since the same were already being received in the Labour Bureau. Such information in respect of the number of industrial disputes in the Fine and Pharmaceutical Chemicals Industry and consequent loss of man-days since 1959 is given in Statement 7.1.

STATEMENT 7.1

Number of Disputes Resulting in Work Stoppages Workers Involved and Man-days Lost in the Fine and Pharmaceutical Chemicals Industry
(From 1959 to 1965)

Year	Number of Disputes*	Number of Workers Involved	Number of Man-days Lost
1	2	3	4
1959	3	649	23,074
1960	5	547	10,968
1961	3	368	12,138
1962	8	1,202	23,203
1963	4	544	626
1964	17	5,251	51,023
1965	19	2,375	33,298

Source—Labour Bureau, Indian Labour Statistics, 1964 and 1966.

*Resulting in work stoppages on account of strikes or lockouts and involving 10 or more workers.

It would be seen from the Statement (7·1) that except for the year 1963 there was a considerable loss of man-days in the Fine and Pharmaceutical Chemicals Industry during 1959—1965. The year 1964 witnessed three major strikes, one in Madras and two in Bombay. In one of these two strikes in Bombay, the cause of the dispute was reported to be the demand for withdrawal of a charge-sheet served on a worker while, in the other, the demand for reinstatement of dismissed workers led to the strike. In Madras, the reason for the strike by the workers was allegedly the non-consideration of their demands.

7·2. Trade Unionism

Information collected during the present Survey shows that workers had organised themselves into trade unions in about 57 per cent. of the Fine and Pharmaceutical Chemical factories in India. 'Rest of West Bengal' was leading in this respect as trade unions were found to be existing in all the factories surveyed in that centre. The corresponding percentages in 'Bombay' and 'Rest of Maharashtra' were about 80 each. It was also found that trade unionism had developed more in large factories than in small ones. As regards membership of the trade unions, 'Rest of West Bengal' was leading in this respect also, the proportion of workers who were members of the trade unions being as high as 87 per cent. of the total number of workers covered under the Factories Act, 1948. It was followed by 'Bombay' where the corresponding percentage was 78. In the Industry, as a whole, it is estimated that about 68 per cent. of the workers were members of trade unions. Further details appear in Statement 7·2.

A striking feature of trade unionism in the Fine and Pharmaceutical Chemicals Industry, as revealed by the Survey, is that all the factories having trade unions had accorded recognition to one or the other representative union functioning in the factory. In about 88 per cent. of the factories, one or the other trade union was found to have been registered under the Indian Trade Unions Act, 1926. As regards the multiplicity of trade unions in the Industry, in about 79 per cent. of the factories having trade unions there was only one union in each, while the remaining units had two unions each.

It was observed during the Survey that all the trade unions in the Industry were securing claims of their workers under various labour Acts. None of the unions surveyed was engaged in any other activity, such as running adult education centres, providing welfare and recreation facilities, etc., for promoting the welfare of workers.

7·3. Collective Agreements

In the course of the Survey, information was collected in respect of collective agreements concluded since 1956 in the sampled establishments. It is estimated that about 40 per cent. of the Fine and Pharmaceutical Chemical factories in the country had concluded collective agreements since 1956. Of course, the large establishments seemed to be far ahead of the small ones in this matter since,

STATEMENT 7.2

Estimated Percentage of Fine and Pharmaceutical Chemical Factories where Workers were Members of Trade Unions, etc.

(1965-66)

Centre	Number of Factories	Percentage of Factories where Workers were Mem- bers of Trade Unions	Number of Workers* employed as on 31-3-1965	Number of Workers who were Members of Trade Unions	Percentage of Factories where Trade Unions some or all were Recognised
1	2	3	4	5	6
1. Calcutta and 24 Parganas	51	42.2	8,794	6,044 (68.7)	100.0
Large Factories ..	15	75.0	6,873	5,086 (74.0)	100.0
Small Factories ..	36	28.6	1,921	958 (49.9)	100.0
2. Rest of West Bengal	7	100.0	1,165	1,016 (87.2)	100.0
Large Factories ..	3	100.0	882	746 (84.6)	100.0
Small Factories ..	4	100.0	283	270 (95.4)	100.0
3. Bombay	81	79.5	21,330	16,571 (77.7)	100.0
Large Factories ..	20	100.0	18,332	14,723 (80.3)	100.0
Small Factories ..	61	72.7	2,998	1,848 (61.6)	100.0
4. Rest of Maharashtra	20	80.0	4,894	3,143 (64.2)	100.0
Large Factories ..	8	100.0	4,242	2,701 (63.7)	100.0
Small Factories ..	12	66.7	652	442 (67.8)	100.0
5. Residual	189	46.9	20,106	11,678 (58.1)	100.0
Large Factories ..	30	100.0	13,408	9,701 (72.4)	100.0
Small Factories ..	159	36.8	6,698	1,977 (29.5)	100.0
6. All India	348	56.8	56,289	38,452 (68.3)	100.0
Large Factories ..	76	95.1	43,737	32,957 (75.4)	100.0
Small Factories ..	272	46.0	12,552	5,495 (43.8)	100.0

*Covered' under the Factories Act, 1948.

Notes:—Figures within brackets in Col. 5 are percentages of workers who were members of trade unions to the total number of workers covered under the Factories Act, 1948, on the specified date.

whereas in about 63 per cent. of the large factories in the country, the managements had entered into collective agreements with the workers, there were only 33 per cent. of small factories which had done like-wise. The proportion of such factories was the highest (about 80 per cent.) in 'Rest of Maharashtra', closely followed by 'Bombay' and 'Rest of West Bengal' (about 79 per cent. each) and the lowest (about 7 per cent.) in 'Calcutta and 24 Parganas'.

Data collected show that a large number of issues *e.g.*, revision of wages and pay-scales, dearness allowance, bonus, paid holidays and leave periods, formed the subject matters of most of these agreements. Provisions regarding gratuity also existed in slightly less than one-third of these agreements.

7.4. Standing Orders

Since the enactment of the Industrial Employment (Standing Orders) Act, 1946, it has become obligatory for all factories employing 100 or more workers to frame Standing Orders for regulating such matters as classification of workers, intimation of periods and hours of work, holidays, termination of employment, redress of grievances, *etc.*

The present Survey has revealed that all large factories and about 5 per cent. of the small factories, together constituting about 26 per cent. of the Fine and Pharmaceutical Chemical factories in the country, were under a statutory obligation to frame Standing Orders. Of these, about four-fifths had fulfilled their obligation under the law while in the rest, the Standing Orders had not been framed. In addition, some of the small factories, located in almost all the centres except 'Rest of Maharashtra', had also framed Standing Orders though these units were not under the statutory obligation to do so. Thus it is estimated that about 35 per cent. of the Fine and Pharmaceutical Chemical factories in the country had framed the Standing Orders. In most of the units having Standing Orders (*i.e.*, about 97 per cent.), they were found to have been framed under the Industrial Employment (Standing Orders) Act, 1946. In 'Rest of Maharashtra', however, one of the large units had framed the same under the C. P. and Berar Industrial Disputes Settlement Act, 1947. Standing Orders were reported to have been certified in about 95 per cent. of the factories having them. The Standing Orders, wherever framed, covered all categories of workers in the units. Details appear in Statement 7.3 on the next page.

7.5. Labour and Welfare Officers

With a view to enabling the employers to have better arrangements for personnel management and to help them in ensuring proper implementation of labour laws, a specific provision has been made in the Factories Act, 1948, requiring all factories employing 500 or more workers to appoint a Welfare Officer. The Rules framed by the State Governments under the Act prescribe the functions and duties of these officers.

In the Fine and Pharmaceutical Chemicals Industry, only about 4 per cent. of the Factories were reported to be employing 500 or more workers. These factories were of large size and comprised half of the large factories in 'Rest of West Bengal', about one-fourth of such factories in 'Calcutta and 24 Parganas', about one-fifth in 'Bombay' and one-sixth in 'Residual Group.' The Survey results indicate that three-fourths of such factories had fulfilled

STATEMENT 7-3

*Estimated Percentage of Fine and Pharmaceutical Chemical Factories
where Standing Orders were Framed, etc.
(1965-66)*

Centre	Number of Factories	Percentage of Factories which had Framed Standing Orders	Percentage of Factories under Sta- tutory Obli- gation to Frame Standing Orders	Percentage of Factories where Standing Orders were Framed (of Col. 4)	Percentage of Factories where Standing Orders were Certified
1	2	3	4	5	6
1. Calcutta and 24 Parganas	51	93.4	100.0	75.0	100.0
Large Factories ..	15	75.0	100.0	75.0	100.0
Small Factories ..	36	61.2	—	—	100.0
2. Rest of West Bengal ..	7	71.4	100.0	100.0	100.0
Large Factories ..	3	100.0	100.0	100.0	100.0
Small Factories ..	4	50.0	—	—	100.0
3. Bombay ..	81	35.4	31.5	47.0	80.6
Large Factories ..	20	60.0	100.0	60.0	100.0
Small Factories ..	61	27.3	9.1	—	66.7
4. Rest of Maharashtra ..	20	40.0	40.0	100.0	100.0
Large Factories ..	8	100.0	100.0	100.0	100.0
Small Factories ..	12	—	—	—	—
5. Residual ..	189	33.6	20.3	100.0	100.0
Large Factories ..	30	100.0	100.0	100.0	100.0
Small Factories ..	159	21.1	5.3	100.0	100.0
6. All-India ..	348	34.9	25.8	80.8	95.4
Large Factories ..	76	84.6	100.0	84.5	100.0
Small Factories ..	272	24.1	5.1	60.1	90.3

the legal obligation. Those who had not done so were in 'Calcutta and 24 Parganas'. None of the factories surveyed in 'Rest of Maharashtra' was under a statutory obligation to appoint such officers. However, some of the units located in 'Bombay' and 'Rest of Maharashtra', although under no such statutory obligation, had also appointed Welfare Officers. Thus, Labour/Welfare Officers had been appointed, at the time of the Survey, in about 10 per cent. of the Fine and Pharmaceutical Chemical factories in the country.

These officers had a wide range of activities and were found to be performing all duties prescribed in the Rules framed under the Act. Securing redress of workers day-to-day grievances and maintenance of harmonious relations between the management and employees by acting as liaison officers were their most important functions. They were also advising the managements in regard to matters connected with the proper implementation of various labour laws. Organisation and supervision of labour welfare and recreation activities also formed a part of their duties.

It was reported that in about two-thirds of the factories (comprising all the factories having Labour/Welfare Officers in 'Rest of West Bengal', 'Rest of Maharashtra' and 'Residual Group' and about half of the factories in 'Bombay') where Labour/Welfare Officers had been appointed, they were appearing before Industrial Tribunals, Labour Courts, *etc.*, on behalf of the managements, in cases of industrial disputes.

7-6. Works or Joint Committees

Though the Royal Commission on Labour had, as early as 1930, emphasised the vital role that Works/Joint Committees could play in providing recognised means of consultation between managements and workers and thus **eliminating** the sources of friction and inculcating a greater sense of responsibility and creative interest amongst the workers and managements, it was not till the enactment of the Industrial Disputes Act, 1947, that any positive step was taken by the Government for the setting up of such Committees. The Act empowers the appropriate Government to prescribe that Works Committees should be constituted in any industrial establishment employing 100 or more workers in such a manner that the representatives of workmen are not less than those of the employer.

The Survey results show that about 26 per cent. of the Fine and Pharmaceutical/Chemical factories in the country, comprising all large factories and about 5 per cent. of the small ones, were employing 100 or more workers. Works Committees existed in a little more than half (*i.e.*, 54%) of these factories comprising about 52 per cent. of large and about 60 per cent. of small factories. In 'Rest of West Bengal', of about 43 per cent. of the factories employing 100 or more workers none had set up any Works Committee. The proportion of factories having these Committees was the highest (about 74%) in 'Residual Group' followed by 'Rest of Maharashtra' (50%), 'Bombay' (47%) and Calcutta and 24 Parganas' (25%). The main reason for not setting up such Committees in those units where it was obligatory was reported to be the indifference on the part of the managements as well as unions. In some of the factories it was also reported that Works Committees were not formed as the managements were not aware of their obligation under the law. No factory in the Industry had formed the Works Committee voluntarily. Thus, at the Industry level, such Committees existed in about 14 per cent. of the units.

In all those factories where Works Committees had been constituted, they consisted of an equal number of representatives of employers and workers. The Survey has further revealed that in 21 per cent. of the factories having Works Committees, no meetings were held during the twelve month period ended March, 1965 due to the indifference of both the managements and the workers, while in 28 per cent. of the factories, the Works Committees were formed only recently *i.e.*, in 1965 only. In the rest of the factories having Works Committees, the number of meetings held during the above-mentioned period varied from 2 to 12.

Provision of uniforms, fair price shops, cycle stands, paid holidays, *etc.*, formed the main items on agenda of these meetings. In a majority of cases, such Committees were reported to be working satisfactorily and proved helpful to a great extent.

7.7. Production and Other Committees

Hardly 5 per cent. of the Fine and Pharmaceutical Chemical factories in the country (consisting of 11% of large units and 4% of small, had constituted Production Committees for advising on matters relating to production, *etc.* The large units having such Committees were located in 'Bombay' and 'Rest of Maharashtra' while all the small units were located in 'Residual Group'. Safety Committees had been set up in about 8 per cent. of the factories, comprising about 10 per cent. of the large units in 'Bombay' and about 33 per cent. of large and 5 per cent. of small units in 'Residual Group', to look after the causes of accidents and to suggest ways and means of preventing them.

7.8. Grievance Procedure

With the enactment of the Industrial Employment (Standing Orders) Act, 1946, it has become obligatory for all factories employing 100 or more workers to frame Standing Orders prescribing, *inter alia*, the procedure to be followed for redress of workers' grievances. As stated earlier, about 35 per cent. of the Fine and Pharmaceutical Chemical factories in the country had framed the Standing Orders and thus a prescribed grievance procedure existed in such factories. It was, however, found during the course of the Survey that in fact a regular grievance procedure was in existence in about 36 per cent. of the Fine and Pharmaceutical Chemical factories in the country meaning thereby that about 1 per cent. of the units in the Industry had voluntarily formulated a procedure for the redress of grievances of their employees. These factories belonged to 'Rest of West Bengal' and 'Bombay' centres.

According to the prevailing practice, usually grievances were heard initially by the immediate supervising officers or in-charges of sections and the complainant approached the higher officers only when not satisfied with their decisions. Wherever Welfare or Labour Officers had been appointed, workers' grievances were attended to by them. Failing a satisfactory settlement, the disputes were sometimes taken up at the union level and if necessary, referred to State Conciliation or Labour Officers. In small establishments, the workers generally approached the proprietor or the manager direct.

7.9. Association of Workers with the Management

The present Survey has revealed that none of the Fine and Pharmaceutical Chemical factories in the country had introduced any scheme for associating workers with management of the unit.

CHAPTER VIII

LABOUR COST

Information pertaining to labour cost was collected from sampled establishments, during the course of the present Survey, in respect of the employees covered under the Factories Act, 1948 and receiving less than Rs. 400 per month as wages. This was in pursuance of the decision taken by the Study Group on Wage Costs appointed by the Ministry of Labour and Employment in 1959. The enquiry pertaining to labour cost was modelled on the lines of the Study of Labour Costs in the European Industry, made by the International Labour Office in 1956, with such modifications as were considered necessary in the light of the conditions obtaining in India. For instance, in view of the fact that wages in India are paid on the basis of days instead of hours, data were collected in respect of man-days instead of man-hours. Similarly, it was found in the course of the pilot enquiry that, excepting a very few establishments, separate records of payments made for leave or holidays or for days not worked, were not maintained and hence these were dropped as separate items and included under 'basic wages'. Certain additions were made in the list either on the basis of decisions of the Study Group referred to above, or to elicit separate information on some of the items on which employers have to incur expenses under labour laws in force in the country such as, lay-off, retrenchment compensation, etc.

The Survey started in April, 1965 and ended in February, 1966. With a view to maintaining comparability of data and ensuring uniformity, it was decided to collect information, as far as possible, for the calendar year 1964. If, however, the financial year of the establishments did not coincide with the calendar year, and it was not feasible to collect information for the year 1964, the field staff were asked to collect the data for the latest period of 12 months for which information was available subject to the condition that a major period of the calendar year 1964 was covered. The available data show that it was possible to collect information in respect of the calendar year 1964 from most of the units.

8.1. Labour Cost per Man-day Worked

Data in respect of man-days worked and the wages and other earnings of the workers were collected for the above-mentioned period of one year. Further, expenditure incurred by the employers on various welfare and social security measures, subsidy services, etc., representing the cost incurred by the employers on labour was also recorded in the course of the Survey. Based on the above, the average labour cost per man-day worked has been worked out and is given in Statement 8.1 on the next page.

The overall labour cost per man-day worked in Fine and Pharmaceutical Chemicals Industry has been estimated at Rs. 6.97. As Statement 8.1 would show, the labour cost was the highest in the 'Rest of Maharashtra' (Rs. 10.15)

and the lowest in the 'Residual Group' (Rs. 5.63). The labour cost per man-day worked was invariably higher in large-size factories as compared to the small ones both at the all-India level and at the Centre level.

STATEMENT 8.1

Estimated Labour Cost Per Man-Day Worked in the Fine and Pharmaceutical Chemicals Industry

(1964)

Centre							Labour Cost Per Man-day Worked (in Rs.)
1							2
1. Calcutta and 24 Parganas	..	..	..	..	..	..	6.11
Large Factories	..	..	..	..	..	..	6.37
Small Factories	..	..	..	..	..	..	5.06
2. Rest of West Bengal	..	..	..	..	..	..	7.15
Large Factories	..	..	..	..	..	..	7.59
Small Factories	..	..	..	..	..	..	5.20
3. Bombay	..	..	..	..	..	..	8.19
Large Factories	..	..	..	..	..	..	8.34
Small Factories	..	..	..	..	..	..	7.51
4. Rest of Maharashtra	..	..	..	..	..	..	10.15
Large Factories	..	..	..	..	..	..	11.80
Small Factories	..	..	..	..	..	..	3.32
5. Residual	..	..	..	..	..	..	5.63
Large Factories	..	..	..	..	..	..	6.46
Small Factories	..	..	..	..	..	..	4.06
6. All India	..	..	..	..	..	..	6.97
Large Factories	..	..	..	..	..	..	7.59
Small Factories	..	..	..	..	..	..	5.00

8.2. Components of Labour Cost

The major element of labour cost was wages. An account of the various components of labour cost can be had from Statement 8.2 overleaf.

8.2.1. Wages

This component comprised basic wages and dearness allowance, incentive or production bonus and attendance bonus received by employees.

It was decided to collect data under this head in respect of the man-days worked alone, but in the course of the pilot enquiry, it was found that most of the employers did not maintain separate records of payments for the days actually worked, and for leave and holiday periods. Consequently, the amount of basic wages and dearness allowance recorded included the sum paid for the days worked as well as not worked but paid.

It will be noticed from Statement 8.2 that wages constituted the bulk, accounting for about 69 per cent. of the labour cost in the Fine and Pharmaceutical Chemicals Industry. This percentage was the highest (81.25) in 'Rest of West Bengal', and the lowest (56.76) in 'Bombay'.

STATEMENT 8.2

*Estimated Labour Cost Per Man-day Worked by Main Components in the Fine
and Pharmaceutical Chemicals Industry*
(1964)

Centre	Wages	Premium Pay for Over- time and Late Shifts	Bonuses	Other Cash Pay- ments	Payments in Kind	Social Security Contributions	
						Obliga- tory	Non- Obliga- tory
	(a)	(b)		(c)			
1	2	3	4	5	6	7	8
1. Calcutta and 24 Parganas	4.53 (74.21)	0.05 (0.85)	0.43 (7.03)	0.19 (3.14)	0.03 (0.49)	0.42 (6.81)	—
Large Factories	4.64 (72.90)	0.06 (0.99)	0.45 (6.99)	0.23 (3.60)	0.03 (0.48)	0.44 (6.87)	—
Small Factories	4.09 (80.92)	0.01 (0.14)	0.36 (7.18)	0.04 (0.78)	0.03 (0.53)	0.33 (6.51)	—
2. Rest of West Bengal	5.81 (81.25)	* (0.01)	0.60 (8.39)	0.01 (0.13)	—	0.52 (7.29)	—
Large Factories	6.13 (80.70)	* (0.01)	0.69 (9.12)	* (0.06)	—	0.53 (7.02)	—
Small Factories	4.14 (81.79)	—	0.19 (3.70)	0.03 (0.57)	—	0.47 (9.00)	—
3. Bombay	4.65 (56.76)	0.04 (0.52)	1.00 (12.17)	0.06 (0.73)	0.13 (1.61)	0.81 (9.94)	—
Large Factories	4.30 (51.61)	0.05 (0.56)	1.16 (13.91)	0.07 (0.85)	0.14 (1.72)	0.86 (10.27)	—
Small Factories	6.41 (85.40)	0.02 (0.29)	0.19 (2.53)	* (0.02)	0.08 (1.02)	0.61 (8.10)	—
4. Rest of Maharashtra	7.33 (72.27)	0.28 (2.75)	0.92 (9.04)	0.03 (0.33)	—	0.79 (7.76)	—
Large Factories	8.40 (71.19)	0.35 (2.93)	1.14 (9.66)	0.01 (0.33)	—	0.91 (7.74)	—
Small Factories	2.93 (88.23)	—	—	0.01 (0.32)	—	0.27 (8.06)	—
5. Residual	4.45 (79.07)	0.06 (1.08)	0.29 (5.17)	0.04 (0.61)	0.01 (0.18)	0.34 (5.99)	*
Large Factories	4.98 (77.81)	0.09 (1.42)	0.33 (5.23)	0.04 (0.63)	0.01 (0.16)	0.38 (5.93)	0.01 (0.11)
Small Factories	3.38 (83.09)	* (0.01)	0.20 (4.99)	0.02 (0.55)	0.01 (0.25)	0.25 (6.15)	—
6. All India	4.79 (68.69)	0.07 (0.99)	0.61 (8.77)	0.07 (1.01)	0.05 (0.77)	0.55 (7.92)	*
Large Factories	4.98 (65.58)	0.09 (1.17)	0.74 (9.70)	0.09 (1.14)	0.06 (0.82)	0.61 (8.10)	* (0.03)
Small Factories	4.19 (83.84)	0.01 (0.13)	0.21 (4.20)	0.02 (0.39)	0.03 (0.55)	0.35 (7.03)	—

* Less than Re. 0.005.

Note :—Figures within brackets are percentages to total.

(a) Includes basic wage, dearness allowance, incentive bonus and attendance bonus.

(b) Includes extra payment for working on holidays.

(c) Includes house rent allowance, travelling allowance, etc., and other ex-gratia payments.

STATEMENT 8.2—*contd.**Estimated Labour Cost per Man-day Worked by Main Components in the Fine and Pharmaceutical Chemicals Industry—contd.*

(1964)

(In Rupees)

Centre	Subsidies	Direct Benefits	Other Payments related to Labour Cost	Others	Total
	(d)	(e)	(f)	(g)	
1	9	10	11	12	13
1. Calcutta and 24 Parganas	0.43 (6.96)	*	*	0.03 (0.44)	6.11 (100.00)
Large Factories ..	0.50 (7.79)	---	*	0.02 (0.34)	6.37 (100.00)
Small Factories ..	0.14 (2.75)	0.01 (0.11)	*	0.05 (0.98)	5.06 (100.00)
2. Rest of West Bengal	0.18 (2.48)	---	*	0.03 (0.44)	7.15 (100.00)
Large Factories ..	0.20 (2.57)	-	*	0.04 (0.51)	7.59 (100.00)
Small Factories ..	0.10 (1.90)	-	*	-	5.20 (100.00)
3. Bombay ..	1.08 (13.13)	*	0.01 (0.18)	0.41 (4.95)	8.19 (100.00)
Large Factories ..	1.27 (15.26)	-	0.01 (0.20)	0.48 (5.61)	8.34 (100.00)
Small Factories ..	0.10 (1.28)	0.01 (0.07)	0.01 (0.07)	0.09 (1.29)	7.51 (100.00)
4. Rest of Maharashtra	0.73 (7.19)	-	0.01 (0.09)	0.06 (0.57)	10.15 (100.00)
Large Factories ..	0.88 (7.45)	-	0.01 (0.10)	0.07 (0.60)	11.80 (100.00)
Small Factories ..	0.11 (3.23)	-	*	*	3.32 (100.00)
5. Residual ..	0.20 (3.52)	---	0.01 (0.77)	0.20 (3.53)	5.63 (100.00)
Large Factories ..	0.23 (3.56)	-	0.06 (0.98)	0.27 (4.17)	6.40 (100.00)
Small Factories ..	0.14 (3.39)	-	*	0.06 (1.49)	1.06 (100.00)
6. All India ..	0.58 (8.28)	*	0.02 (0.33)	0.23 (3.20)	6.97 (100.00)
Large Factories ..	0.72 (9.47)	*	0.03 (0.38)	0.27 (3.60)	7.59 (100.00)
Small Factories ..	0.12 (2.51)	*	0.01 (0.08)	0.06 (1.26)	5.00 (100.00)

(d) Includes expenditure on medical and health care, canteens, company housing, creches, educational and recreation services, etc.

(e) Includes direct payments made by the employer to the beneficiary on occasions like birth, death, marriage, etc.

(f) Includes expenditure on recruitment, vocational training, apprenticeship, on-the-job medical services, etc.

(g) Includes expenditure on miscellaneous payments like supply of protective equipment to workers, pay of Labour, Welfare Officers, etc.

Statement 8.3 gives the break-up of the wage cost data into the various sub-groups viz., basic earnings, incentive or production bonus and attendance bonus. It is evident from the Statement 8.3 that almost the entire expenditure incurred under the component 'Wages' was in the form of basic wages and dearness allowance. A very negligible amount was spent by the employers on the payment of incentive/production bonus and attendance bonus.

STATEMENT 8.3

Estimated Break-up of Wage Cost by Components in the Fine and Pharmaceutical Chemicals Industry
(1961)

(In Rupees)

Centre	Basic Wages and Dearness Allowance (or consolidated wages)	Incentive/Production Bonus	Attendance Bonus	Total
1	2	3	4	5
1. Calcutta and 24 Parganas	4.53 (100.00)			4.53 (100.00)
Large Factories ..	4.64 (100.00)			4.64 (100.00)
Small Factories ..	4.09 (100.00)			4.09 (100.00)
2. Rest of West Bengal ..	5.68 (97.76)	0.13 (2.24)		5.81 (100.00)
Large Factories ..	5.97 (97.40)	0.16 (2.60)		6.13 (100.00)
Small Factories ..	4.41 (100.00)			4.41 (100.00)
3. Bombay ..	4.63 (99.55)	* (0.03)	0.02 (0.12)	4.65 (100.00)
Large Factories ..	4.28 (99.45)		0.02 (0.55)	4.30 (100.00)
Small Factories ..	6.40 (99.88)	0.01 (0.12)		6.41 (100.00)
4. Rest of Maharashtra ..	7.33 (100.00)			7.33 (100.00)
Large Factories ..	8.40 (100.00)			8.40 (100.00)
Small Factories ..	2.93 (100.00)			2.93 (100.00)
5. Residual ..	4.44 (99.78)		0.01 (0.22)	4.45 (100.00)
Large Factories ..	4.97 (99.70)		0.01 (0.30)	4.98 (100.00)
Small Factories ..	3.38 (100.00)			3.38 (100.00)
6. All India ..	4.78 (99.71)	* (0.07)	0.01 (0.22)	4.79 (100.00)
Large Factories ..	4.96 (99.65)	* (0.07)	0.02 (0.28)	4.98 (100.00)
Small Factories ..	4.19 (99.96)	* (0.04)		4.19 (100.00)

NOTE:—Figures within brackets are percentages.

*Less than Re. 0.005.

8·2·2. Premium Pay for Overtime and Late Shifts

Under this group, only the premium part of the pay for overtime work, late shifts, work on holidays, etc., was recorded. This was represented by an amount received by the workers in addition to their normal pay. For instance, if a worker received one and a half times his normal wages for the overtime work, the extra amount, that is, one half, was recorded against this item. The normal wages were included under the group 'wages'. The present Survey has revealed that the cost under this item represented only a negligible proportion of the total labour cost.

8·2·3. Bonuses

Payments made in respect of festival, year-end, profit-sharing and any other bonus were recorded under this item. It will be seen from the Statement (8·2) that, in the Fine and Pharmaceutical Chemicals Industry, this item constituted 8·77 per cent. of the total labour cost per man-day worked. The highest percentage (12·17) was found to be in 'Bombay' and the lowest (5·17) in 'Residual' centre. As between the size groups, the percentage was generally higher in large-size factories than in small ones.

8·2·4. Other Payments in Cash and Kind

Other cash payments were those which were regularly made such as house rent allowance, transport allowance, ration allowance, etc., and also ex-gratia payments. Payments under this group accounted for nearly one per cent. of the total labour cost in the Industry.

Payments in kind included such items as food articles, etc., supplied either regularly or occasionally as on festive occasions, etc. Such payments constituted about one per cent. of the total labour cost at the all-India level.

8·2·5. Social Security Contributions

The expenses incurred by employers on various social security measures formed an important element of labour cost. The employers were statutorily obliged to undertake some of the social security measures and expenditure on such obligatory social security contributions under the various heads was collected separately. Under the other group of social security contributions, *viz.*, the non-obligatory social security contributions, the employers were found making some payments voluntarily. Expenditure incurred by the employers on obligatory social security contributions during 1961 amounted to Re. 0·55 per man-day worked accounting for 7·92 per cent. of the total labour cost. This expenditure at the all-India level was higher in large factories as compared to small ones. A small expenditure on one of the non-obligatory social security contributions *viz.*, gratuity, was incurred by two of the large units surveyed in the 'Residual Group'.

Statistics in respect of the social security contributions appear in Statement 8·4.

STATEMENT 8.4

*Estimated Cost of Social Security Contributions per Man-day Worked in the
Fine and Pharmaceutical Chemicals Industry*

(1964)

(In Rupees)

Centre	Obligatory					
	Provident Fund	Retren- chment Compens- ation	Compensa- tion for Lay- off	Employee- s' State Insurance Contrib- ution	Compensation for employ- ment Injury	Occupational Disease
1	2	3	4	5	6	7
1. Calcutta and 24 Parganas	0.32 (76.69)	—	—	0.10 (23.31)	—	—
Large Factories ..	0.34 (77.11)	—	—	0.10 (22.89)	—	—
Small Factories ..	0.24 (74.34)	—	—	0.09 (25.66)	—	—
2. Rest of West Bengal	0.43 (82.69)	* (0.19)	* (0.77)	0.05 (9.41)	0.03 (5.21)	—
Large Factories ..	0.45 (84.29)	—	—	0.04 (7.38)	0.03 (6.25)	—
Small Factories ..	0.35 (74.59)	0.01 (1.15)	0.02 (4.62)	0.09 (19.64)	—	—
3. Bombay ..	0.57 (70.13)	—	—	0.21 (26.13)	* (0.40)	—
Large Factories ..	0.60 (69.43)	—	—	0.21 (26.69)	* (0.47)	—
Small Factories ..	0.46 (75.08)	—	—	0.13 (22.16)	—	—
4. Rest of Maharashtra ..	0.54 (68.91)	—	—	0.22 (27.28)	—	—
Large Factories ..	0.64 (69.79)	—	—	0.26 (28.79)	—	—
Small Factories ..	0.15 (56.51)	—	—	0.02 (5.88)	—	—
5. Residual ..	0.29 (85.04)	—	* (0.62)	0.04 (11.67)	0.01 (1.78)	—
Large Factories ..	0.33 (86.52)	—	—	0.04 (10.61)	0.01 (2.37)	—
Small Factories ..	0.20 (80.49)	—	0.01 (2.52)	0.04 (14.99)	—	—
6. All India ..	0.41 (74.61)	* (0.03)	* (1.05)	0.12 (22.17)	0.01 (0.72)	—
Large Factories ..	0.46 (74.33)	—	—	0.14 (22.73)	* (0.86)	—
Small Factories ..	0.27 (76.10)	* (0.03)	* (1.05)	0.07 (19.06)	—	—

STATEMENT 8·4—*contd.*

(In Rupees)						
Centre	Mater- nity Benefits	Gratuity	Total	Non- obliga- tory	Total for obligatory and non- obligatory	Percent- age of Social Security Contribu- tions to the total Labour Cost
1	8	9	10	11	12	13
1. Calcutta and 24 Parganas	—	—	0·42 (100·00)	—	0·42	6·81
Large Factories ..	—	—	0·44 (100·00)	—	0·44	6·87
Small Factories ..	—	—	0·33 (100·00)	—	0·33	6·51
2. Rest of West Bengal	*	0·01	0·52	—	0·52	7·29
	(0·23)	(1·50)	(100·00)			
Large Factories ..	*	0·01	0·53	—	0·53	7·02
	(0·28)	(1·89)	(100·00)			
Small Factories ..	—	—	0·47 (100·00)	—	0·47	9·00
3. Bombay	—	0·03	0·81	—	0·81	9·94
		(3·34)	(100·00)			
Large Factories ..	—	0·03	0·86	—	0·86	10·27
		(3·41)	(100·00)			
Small Factories ..	—	0·02	0·61	—	0·61	8·10
		(2·76)	(100·00)			
4. Rest of Maharashtra	—	0·03	0·79	—	0·79	7·76
		(3·81)	(100·00)			
Large Factories ..	—	0·01	0·91	—	0·91	7·74
		(1·42)	(100·00)			
Small Factories ..	—	0·01	0·27	—	0·27	8·06
		(37·61)	(100·00)			
5. Residual	*	*	0·34	*	0·34	5·99
	(0·50)	(0·39)	(100·00)	(100·00)		
Large Factories ..	*	*	0·38	0·01	0·39	5·93
		(0·50)	(100·00)	(100·00)		
Small Factories ..	*	—	0·25	—	0·25	6·15
	(2·00)		(100·00)			
6. All India	*	0·01	0·55	*	0·55	7·92
	(0·13)	(2·21)	(100·00)	(100·00)		
Large Factories ..	*	0·01	0·61	*	0·61	8·10
		(2·08)	(100·00)	(100·00)		
Small Factories ..	*	0·01	0·35	—	0·35	7·03
	(0·77)	(2·99)	(100·00)			

*Less than 0·005.

Note:—Figures within brackets are percentages.

It will be seen from the Statement (8·4) that about 75 per cent. of the labour cost on account of the obligatory social security contributions was in respect of provident fund contributions alone. The next important item was the Employees' State Insurance contributions which accounted for approximately 22 per cent. of the cost on obligatory social security contributions.

8·2·6. Subsidies

Cost to employers for providing certain facilities and services to workers and their families was collected under this head. The facilities listed were Medical and Health care, Canteens, Restaurants and other Food Services, Company Housing, Building Funds, Credit Unions and other Financial Aid Services, Creches, Educational Services (e.g., Libraries, Reading Rooms, etc.), Cultural Services, Recreation Services (clubs, sports, etc.), Drinking Water Facilities, Vacation Homes, etc. The net amount spent, including depreciation but excluding any capital expenditure, was recorded. In the course of the pilot enquiry, it was noticed that in most of the cases, employers either did not maintain any records separately for the above mentioned items or expenses related not only to persons falling within the scope of the Study but also to others. Hence, the field staff were asked to obtain estimates, wherever such statistics were not available separately for the above mentioned items and/or for the employees covered by the Study only. In the latter case, estimates were made on the basis of the proportion that the employees coming under the scope of the study formed to the total employees. Statement 8·5 gives details as revealed by the Survey, in respect of the cost on subsidies incurred by the employers in the Fine and Pharmaceutical Chemicals Industry.

The cost of subsidies per man-day worked, as is clear from Statement 8·5, amounted to Re. 0·58 constituting about 8·28 per cent. of the total labour cost. The difference in the cost per man day between the large and small groups of factories was noteworthy both at the all-India level and at the centre level. Generally, the cost was invariably higher in large-size factories in all the centres. As would be seen from Statement 8·5, the expenses incurred by employers on sanitation were the highest (Re. 0·23) accounting for about 39 per cent. of the total expenditure on providing subsidies. Canteens accounted for about 26 per cent., and medical and health care for about 17 per cent. of the cost on subsidies.

8·2·7. Direct Benefits

Direct benefits are those payments which are paid by the employers directly to the beneficiary without any intermediary or external agency. Survey results show that expenses incurred by employers on this item were negligible at the all-India level.

8·2·8. Some other Payments Related to Labour Cost

Under this group, expenses relating to recruitment, vocational training, apprenticeship and on-the-job medical services were recorded. A perusal of Statement 8·2 (col. 11) will show that this element constituted only about 0·33 per cent. of the total labour cost in the Industry.

STATEMENT 8.5

Estimated Cost of Subsidies Per Man-day Worked in the Fine and Pharmaceutical Chemicals Industry

(1964)

(In Rupees)

Centre	Medical and Health Care	Canteens	Company Housing	Credit Union etc.	Creches	Educational Facilities	Cultural Services	Recreation Facilities
1	2	3	4	5	6	7	8	9
1. Calcutta and Parganas ..	0.02 (5.10)	0.25 (58.76)	0.02 (3.52)	* (0.12)	—	* (0.47)	0.01 (2.75)	0.02 (5.05)
Large Factories	0.03 (5.37)	0.31 (62.80)	0.02 (3.35)	* (0.04)	—	* (0.50)	0.01 (1.88)	0.03 (5.41)
Small Factories	* (1.22)	—	0.01 (6.25)	* (1.08)	—	—	0.02 (15.53)	—
2. Rest of West Bengal ..	0.03 (15.38)	0.07 (38.54)	0.03 (17.80)	—	—	0.01 (2.03)	0.01 (6.42)	* (1.30)
Large Factories	0.04 (17.21)	0.08 (42.96)	0.03 (14.90)	—	—	* (2.30)	0.02 (7.17)	* (1.43)
Small Factories	—	—	0.04 (42.83)	—	—	—	—	—
3. Bombay ..	0.18 (16.72)	0.22 (20.14)	* (0.37)	—	0.06 (5.57)	—	* (0.03)	0.01 (0.72)
Large Factories	0.21 (16.78)	0.26 (20.44)	* (0.37)	—	0.07 (5.66)	—	* (0.03)	0.01 (0.61)
Small Factories	0.01 (13.24)	—	—	—	—	—	—	0.01 (7.41)
4. Rest of Maharashtra ..	0.10 (14.49)	0.13 (18.36)	0.15 (19.95)	—	—	—	—	0.03 (4.51)
Large Factories	0.12 (13.52)	0.17 (18.90)	0.18 (20.53)	—	—	—	—	0.03 (3.75)
Small Factories	0.05 (47.76)	—	—	—	—	—	—	0.03 (30.32)
5. Residual ..	0.06 (30.49)	0.05 (25.18)	0.01 (5.76)	0.01 (2.58)	—	—	* (0.15)	—
Large Factories	0.08 (33.39)	0.07 (32.51)	* (2.11)	0.01 (3.39)	—	—	—	—
Small Factories	0.03 (20.96)	* (0.80)	0.02 (17.91)	—	—	—	* (0.65)	—
6. All India ..	0.10 (16.76)	0.15 (25.82)	0.02 (3.57)	* (0.35)	0.02 (3.51)	* (0.07)	* (0.45)	0.01 (1.58)
Large Factories	0.12 (16.73)	0.20 (27.21)	0.02 (3.09)	* (0.36)	0.03 (3.70)	* (0.08)	* (0.31)	0.01 (1.49)
Small Factories	0.02 (17.53)	* (0.48)	0.02 (12.11)	* (0.16)	—	—	* (2.95)	* (3.03)

STATEMENT 8.5—*contd.*

(In Rupees)

Centre	Trans- port Facility	Sani- tation	Drink- ing Water Facility	Washing Facilities	Vacation Homes	Others	Total
1	10	11	12	13	14	15	16
1. Calcutta and 24 Parganas ..	—	0.09 (19.69)	* (0.80)	0.02 (3.20)	* (0.54)	—	0.43 (100.00)
Large Factories ..	—	0.09 (17.43)	* (0.26)	0.01 (2.40)	* (0.56)	—	0.50 (100.00)
Small Factories ..	—	0.08 (52.70)	0.01 (8.48)	0.02 (14.59)	.	* (0.14)	0.14 (100.00)
2. Rest of West Bengal ..	—	0.02 (11.32)	* (0.62)	0.01 (6.59)	.	—	0.18 (100.00)
Large Factories ..	—	0.02 (9.17)	* (0.56)	0.01 (4.30)	.	—	0.20 (100.00)
Small Factories ..	—	0.03 (30.00)	* (0.81)	0.03 (26.36)	.	—	0.10 (100.00)
3. Bombay ..	—	0.54 (50.05)	0.01 (0.90)	0.06 (5.50)	.	—	1.08 (100.00)
Large Factories ..	—	0.64 (50.14)	0.01 (0.83)	0.07 (5.14)	.	—	1.27 (100.00)
Small Factories ..	—	0.04 (44.42)	0.01 (5.74)	0.03 (29.09)	.	—	0.10 (100.00)
4. Rest of Maha- rashtra ..	0.08 (10.37)	0.15 (20.51)	0.04 (5.46)	0.05 (6.35)	.	.	0.73 (100.00)
Large Factories ..	0.09 (10.68)	0.18 (20.63)	0.05 (5.59)	0.06 (6.40)	.	.	0.88 (100.00)
Small Factories ..	—	0.02 (16.51)	* (1.21)	0.01 (4.20)	.	.	0.11 (100.00)
5. Residual ..	—	0.04 (20.12)	0.01 (6.98)	0.02 (8.14)	.	* (0.03)	0.20 (100.00)
Large Factories ..	—	0.03 (13.49)	0.02 (7.29)	0.02 (7.47)	.	* (0.35)	0.23 (100.00)
Small Factories ..	—	0.06 (41.99)	0.01 (5.87)	0.02 (11.60)	.	* (0.22)	0.14 (100.00)
6. All India ..	0.01 (1.04)	0.23 (38.94)	0.01 (2.13)	0.03 (5.68)	* (0.07)	* (0.03)	0.58 (100.00)
Large Factories ..	0.01 (1.09)	0.28 (38.75)	0.01 (1.92)	0.04 (5.16)	* (0.17)	* (0.04)	0.72 (100.00)
Small Factories ..	—	0.05 (42.55)	0.01 (5.97)	0.02 (15.06)	—	* (0.16)	0.12 (100.00)

*Less than 0.005 (Percentages have been calculated from the averages up to four decimal points).

Note :—Figures with in brackets are percentages.

8·2·9. Others

Under this head, only those expenses which could not be grouped under any of the aforesaid heads or sub-heads of the labour cost items, were recorded. Consequently, expenses incurred by some of the factories on the supply of protective equipment, salary of the Labour Welfare Officers, etc., have been reported under this head. As would be seen from Statement 8·2 (col. 12) that this element formed only about 3·20 per cent. of the total labour cost at the all-India level.

CHAPTER IX

SUMMARY OF FINDINGS

1.0. The development and progress of the Fine and Pharmaceutical Chemicals Industry in India owes a good deal to international co-operation in the field of know-how and investment. Since the outbreak of the Second World War, the Industry has developed at a fast rate but its growth has been phenomenal during the last 15 years. Taking into account all the Fine and Pharmaceutical Chemical factories registered under the Factories Act, 1948, there were 455 factories in the country during 1965 with an average daily employment of about 43 thousand workers. The Industry is mainly concentrated in Maharashtra, West Bengal and Gujarat.

2.0. On the basis of the present Survey, it has been estimated that on the specified date *i.e.* 31st March, 1965, the Industry employed about 63 thousand workers of whom about 10 per cent. were not covered under the Factories Act, 1948. The distribution of all workers (covered as well as not covered under the Factories Act), according to broad occupational groups, shows that about 71 per cent. were 'Production and Related Workers (including supervisory)', nearly 12 per cent. 'Clerical and Related Workers (including supervisory)', about 8 per cent. 'Professional, Technical and Related Personnel', about 7 per cent. 'Watch and Ward and Other Services' while the remaining 2 per cent. belonged to the 'Administrative, Executive and Managerial' Group. Women workers were employed in about half of the factories in the country and accounted for about 10 per cent. of the total working force. Child labour as well as contract labour was insignificant in the Fine and Pharmaceutical Chemicals Industry. About 97 per cent. of the 'Production and Related Workers' were time-rated. The system of recruitment was generally direct because about 82 per cent. of the workers were found to have been recruited directly at the factory gate.

2.1. The Survey results show that about 78 per cent. of the 'Production and Related Workers' were permanent, nearly 17 per cent. temporary, about 4 per cent. casual and the rest were either probationers or apprentices.

2.2. It is estimated that about one-fourth of the directly-employed 'Production and Related Workers' in the Industry had 10 years or more of service to their credit and about one-fifth of the workers had put in less than a year of service on the 31st March, 1965. At the industry level, about 27 per cent. of the Fine and Pharmaceutical Chemical factories had taken some measures to reduce absenteeism while the percentage of factories which had taken measures to reduce labour turnover was only about 4.

2.3. Training and apprenticeship facilities had been provided in about 6 per cent. of the factories, of which about three-fourths had only *ad hoc* schemes for training.

3.0. During March, 1965, the average daily earnings of workers in the 'Administrative, Executive and Managerial' group were the highest (Rs. 50.97) and those of the 'Watch and Ward and Other Services' the lowest (Rs. 6.51). The corresponding figures for the 'Professional, Technical and Related Personnel' and 'Clerical and Related Workers' were Rs. 17.59 and Rs. 14.09 respectively. About 40 per cent. of the factories in the country were paying a separate dearness allowance to the workers. Of these, the dearness allowance was according to income slabs in about 36 per cent. of the factories; was paid on a flat rate in about 32 per cent. and linked with the Consumer Price Index Number in about 28 per cent. of the factories. In the remaining about 4 per cent. of the factories, the dearness allowance was paid on the basis of a combination of two or more of the aforesaid systems. About 5 and 4 per cent. of the factories paid production bonus and attendance bonus respectively to their workers. The practice of paying annual/year-end bonus existed in about 54 per cent. of the factories. Of these, there were regular schemes in about 37 per cent. of the factories while in the remaining about 63 per cent. of the factories, it was paid on an *ad hoc* basis. Festival bonus was being paid in about 15 per cent. of the factories.

4.0. About 77 per cent. of the Fine and Pharmaceutical Chemical factories worked single shift, about 20 per cent. three shifts and the remaining about 3 per cent. two shifts daily. Night shift was being worked in nearly one-fifth of the factories and, in all such factories, there was a regular system of changeover from night shift to day shift and *vice-versa*. None of the factories surveyed was working for more than 8½ hours a day. Weekly hours of work were also 48 or even less in almost all the factories. Rest interval, varying from half an hour to two hours, was allowed to workers in all the factories. The spreadover of working hours did not exceed 10 hours in any of the factories surveyed. Such basic necessities as latrines existed in all the factories while urinals were provided in about 61 per cent. of the factories.

4.1. The system of granting earned leave with pay existed in about 91 per cent. of the Fine and Pharmaceutical Chemical factories. Nearly three-fourths of the workers were found to have availed of earned leave during 1964. The practice of granting casual leave with pay to employees existed in nearly 56 per cent. of the factories. Categories of workers allowed casual leave, qualifying conditions for entitlement to leave and the number of days allowed in a year varied from centre to centre. Sick leave with pay was granted in about 44 per cent. of the factories. The practice of granting national/festival holidays with pay existed in about 98 per cent. of the factories. The provisions of the Factories Act, 1948, in respect of weekly day of rest were being complied within all the sampled factories. Payment for the weekly day of rest was limited to monthly-rated and permanent workers only.

5.0. Suitable arrangements for drinking water existed in all the factories surveyed. In nearly 10 per cent. of the factories, the drinking water points were found to be located within the prohibited distance from the latrines and urinals. It was obligatory for about 12 per cent. of the factories to provide cooled water facilities during summer. In addition to all these units, several units, though

not obliged to supply cooled water, had also provided such facilities. Thus, at the Industry level, arrangements for the supply of cooled water existed in about 82 per cent. of the factories. Washing facilities were available in about 89 per cent. of the Fine and Pharmaceutical Chemical factories in the country. Bathing facilities existed in half of the factories.

5.1. Canteens were found to have been provided in nearly one-fifth of the factories in the country although provision of such facilities was obligatory in only about 12 per cent. of the factories. Some of the factories located in 'Bombay', 'Rest of Maharashtra' and 'Residual' centres, though not under a statutory obligation, had provided canteens. However, of the factories under a legal obligation, about 88 per cent. had complied with the law. Besides the sale of tea, coffee, snacks, etc., arrangements for serving meals also existed in a large number of the canteens. In nearly half of the factories having canteens, these were run by contractors while in about 31 per cent. of the factories, the managements were directly running the canteens. In the remaining about 19 per cent. of the factories, canteens were being run jointly by the managements and the workers. Canteen Managing Committees were functioning in nearly 51 per cent. of the factories and they were responsible for fixing the prices of items sold therein. Location and hygienic conditions of the canteens in more than four-fifths of these factories were found to be satisfactory.

5.2. About four-fifths of the large factories in 'Bombay' (constituting about 9 per cent. of all the factories in the country) were under a statutory obligation to provide creches and three-fourths of them (constituting about 3 per cent. at the Industry level) had fulfilled their obligations in this respect. Of the 20 per cent. factories required to provide rest shelters, only half had done so. However, since some factories employing less than 150 workers had also provided rest shelters, in the Industry as a whole, rest shelters existed in about 16 per cent. of the factories.

5.3. Recreation facilities for workers existed in about 12 per cent. of the factories. Besides indoor/outdoor games, dramas and film shows were also quite common. The cost of these facilities was met by the managements or from the welfare funds in about 90 per cent. of the units. Hardly 2 per cent. of the factories provided educational facilities for the workers' children.

5.4. Medical facilities in the form of attached dispensaries or hospitals were available in about 11 per cent. of the factories. Of the 4 per cent. of the factories, which were under a statutory obligation to maintain ambulance rooms, nearly 54 per cent. had done so. But taking into account those factories which, though not statutorily obliged, had provided ambulance rooms, it is estimated that such facilities existed in about 7 per cent. of the Fine and Pharmaceutical Chemical factories in the country. First-aid boxes were provided in about 90 per cent. of the factories. The boxes provided were, however, under the charge of trained first-aiders in only about 56 per cent. of the factories having first-aid boxes.

5.5. It is estimated that approximately 21 per cent. of the factories had provided housing facilities to their employees but the benefit was confined to hardly 4 per cent. of the workers.

6.0. Provident fund schemes existed in about 84 per cent. of the factories and approximately 80 per cent. of the workers were members of such schemes on the specified date i.e., 31st March, 1965. A pension scheme existed in only one large factory in the 'Residual Group'. Gratuity schemes were in force in about 29 per cent. of the Fine and Pharmaceutical Chemical factories in the country. All the factories having such schemes paid gratuity to their employees at the time of retirement while an overwhelming majority of them paid gratuity at the time of death, resignation and termination of service also. Industrial accidents were reported in nearly one-fifth of the factories and most of the workers involved in accidents had suffered only temporary disabilities, fatal accidents being rare. None of the factories surveyed had reported any case of occupational disease.

7.0. Statistics of industrial disputes show that the number of man-days lost during 1963 was considerable as compared to other years. Trade unions existed in about 57 per cent. of the factories and about 68 per cent. of the workers were members of these unions. The favourable attitude of the managements towards unions is reflected by the fact that in all the factories where workers were organised into trade unions, managements had accorded recognition to the trade unions.

7.1. Collective agreements since 1956 had been concluded in about 40 per cent. of the factories. Generally, the issues related to matters like revision of wages, dearness allowance, bonus, holidays, leave and gratuity. Of the factories statutorily required to frame Standing Orders, nearly 81 per cent. had done so. In addition, some factories though not obliged to do so, had also framed Standing Orders. Thus at the industry level, Standing Orders existed in about 35 per cent. of the factories in the country. Nearly three-fourths of the factories under a legal obligation to appoint Labour/Welfare Officers had done so. Besides their normal duties prescribed under the law, in about two-thirds of the factories, these officers were attending Industrial Tribunals, etc., also on behalf of the managements. Works Committees had been constituted in about 54 per cent. of the Fine and Pharmaceutical Chemical factories employing 100 or more workers. Prescribed grievance procedure existed in about 36 per cent. of the factories i.e., in all the factories having Standing Orders as well as a few large factories in 'Rest of West Bengal' and 'Bombay' (constituting about 1 per cent. of the factories in the country).

8.0. Data relating to labour cost in respect of workers covered under the factories Act and receiving less than Rs. 400 p.m. show that, during 1964, the labour cost per man-day worked in the Fine and Pharmaceutical Chemicals Industry was Rs. 6.97. It was the highest in the 'Rest of Maharashtra' (Rs. 10.15) and the lowest in the 'Residual Group' (Rs. 5.63). Wages i.e., basic wages, dearness allowance and incentive payments, if any, constituted the main component and accounted for about 69 per cent. of the total labour cost. Other major components were bonuses, subsidies and social security contributions which accounted for 8.8, 8.3 and 7.9 per cent. of the total labour cost respectively.

Salient features of the Fine and Pharmaceutical Chemicals Industries in the country, as thrown up by the Survey of Labour Conditions, are presented in Statement 9.1 on the next page.

STATEMENT 9·1

Salient Features of the Fine and Pharmaceutical Chemicals Industry in India

Serial No.	Particulars	Estimates for the Industry as a whole
1	2	3
I.	<i>Employment--</i>	
	(Proportion of)	
	Production and Related Workers (including Supervisory)	71%
	Women labour	10%
	Production Workers employed through contractors ..	2·5%
	Time-rated workers	97%
	Piece-rated workers	3%
	Permanent workers	78%
	Employees having a service of 10 years or more ..	26%
	Factories providing training and/or apprenticeship facilities	6%
II.	<i>Wages and Emoluments--</i>	
	Average daily earnings of :	
	(i) Professional, Technical and Related Personnel	Rs. 17·59
	(ii) Administrative, Executive and Managerial Personnel	Rs. 50·97
	(iii) Clerical and Related Workers (including Supervisory)	Rs. 14·09
	(iv) Watch and Ward and Other Services ..	Rs. 6·51
	Factories paying separate dearness allowance ..	40%
	Factories in which the dearness allowance was linked with the Consumer Price Index Number	28%*
	Factories paying production/incentive bonus ..	5%
	Factories paying annual bonus	54%
	Factories paying festival bonus	15%

*Out of those paying a separate dearness allowance.

STATEMENT 9·1—*contd.*

1	2	3
III. Hours of Work etc.		
(Proportion of)		
Factories where daily hours of work were 8 or less ..		94%
Factories where weekly hours of work were 48 or less ..		98%
Factories where spread-over was up to 9 hours ..		93%
Factories where rest interval was half an hour to one hour		90%
IV. Leave and Holidays with Pay--		
(Units granting)		
Earned leave		94%
Sick leave		44%
Casual leave		56%
National and festival holidays		98%
Weekly day of rest		100%
V. Welfare and Amenities--		
(Units providing)		
Seating arrangements (out of those where workers had to do work standing)		92%
Drinking water facility		100%
Washing facility		89%
Rest shelters		16%
Canteens		20%
Creches (out of those employing more than 50 women)		75%
Latrines		100%
Urinals		64%
Labour/Welfare Officers		10%
First-aid boxes		90%
Ambulance rooms		7%
Recreation facilities		12%
Educational facilities		2%
Housing facility		21%
		(4%)†

†Indicates percentage of workers housed.

STATEMENT 9·1—*contd.*

1	2	3
VI. Social Security—		
(Units having)		
Provident Fund schemes	84% (87%)‡
Pension schemes	1·4%
Gratuity schemes	29%
VII. Accident Rate (per thousand workers employed)	..	45
VIII. Industrial Relations—		
Factories having trade unions	57%
Proportion of workers who were members of trade unions	68%
Units having concluded collective agreements	..	40%
Factories having Standing Orders	..	35%
Factories having Works/Joint Committees	..	14%
IX. Labour Cost—		
Labour Cost per Man-day worked during 1964	.. Rs.	6·97

‡Indicates percentage of workers who were members of provident fund schemes.

APPENDIX

A BRIEF NOTE ON THE SAMPLE DESIGN AND THE METHOD OF ESTIMATION ADOPTED

1. Sample Design

For the Survey of Labour Conditions, a multi-stage sampling procedure with industry as a stratum, with further regional strata for those industries which were found to be highly concentrated in particular regions or areas, was followed. The registered factories belonging to those industries for which regional stratification was found necessary were stratified and each centre or area of high concentration was taken as a separate regional stratum of the industry and the remaining scattered factories were clubbed together into a single residual stratum. Establishments in an industry/regional stratum were arranged in a frequency distribution fashion with suitable class intervals and were divided into two size-groups, large factories and small factories, on the basis of an optimum cut-off point derived for each industry. The optimum cut-off point was so derived that if all the establishments in the upper size group were included in the sample, the results obtained would yield an estimate of over-all employment within 5 per cent. error at 95 per cent. confidence interval, and the sample size would be minimum. The optimum cut-off point varied from industry to industry. For the Fine and Pharmaceutical Chemicals Industry it was chosen as 95 which was approximately equal to the average size of employment in the Industry. However, considering the limited resources available for the Survey of Labour Conditions and the practicability, etc., it was thought that a sample of 25 per cent. from the upper size group and $12\frac{1}{2}$ per cent. from the lower size group would yield reliable results. However, the experience of earlier Surveys had shown that due to (i) non-availability of very recent frames, (ii) closures, and (iii) units changing their line of production, considerable shrinkage had occurred to the desired sample size. Hence it was decided that for taking into account such closures etc., the required sample size should be increased to allow for the above-mentioned shrinkage. Since the sample size in respect of almost all industries had been inflated to safeguard against shrinkage due to closure of units, etc., substitution was resorted to only in case of abnormal closures of units in the manner explained below :-

I. In case of those industries where the sample size had not been inflated, substitution was done to replace sampled units found closed.

- (a) If the number of sampled units was 5 or less in size class of a particular industry/stratum. or
- (b) The number of units found closed, etc., was more than 1 in a sample of 6 to 10 units of a size class of particular industry/stratum.
- (c) In cases where the sample sizes were more than 10 units, substitution was made when the extent of closures was 50 per cent. or more.

II. For industries where the sample size had already been inflated, substitution was done only if the extent of closures was 50 per cent. or more irrespective of the size of the sample unless such a high rate was already noticed in the Second Wage Census and consequently taken into account in fixing the sample size.

The ultimate sampling units, namely registered factories, within an industry/regional stratum were arranged by contiguous States and within each State by contiguous districts in a serpentine fashion so that districts formed a continuous chain from one State to another. Having arranged the list of units in the above manner, the units above the optimum cut-off point were taken in the upper-size class and the rest in the lower-size class. From these size-groups, the required number of units were selected by systematic sampling with a random start. The frame on the basis of which the sample was selected was the list of Registered Factories for the year 1963.*

2. Method of Estimation

In the course of the Survey, various characteristics were studied, some of which were correlated with employment whereas there were others which were not correlated with employment but with the number of establishments. Consequently, two different methods were used for working out estimates.

For estimating the totals of those characteristics which are highly correlated with employment such as earnings, labour cost, etc., ratio of total employment was used as the blowing up factor. For estimating the totals of those characteristics which are not correlated with employment such as number of units providing certain welfare facilities, etc., the ratio of units was used as the blowing up factor. Estimates of percentages have been arrived at by computing in each case the ratio of the estimates of the totals for the two characteristics involved.

In any stratum, the estimate for the total of X-characteristic not correlated with employment is given by:

$$X = \frac{N_u}{n_u} \cdot \frac{N'_u}{n'_u} \sum_i X_{iu} + \frac{N_l}{n_l} \cdot \frac{N'_l}{n'_l} \sum_i X_{il} \quad \dots (1)$$

The summation extending over all the sampled units surveyed in the stratum

Where X = the estimated total of the X-characteristic for a particular stratum ;

N_u and N_l = the number of units in the original population as featuring in the 1963 list, which was used as frame, in the upper and lower size-groups, respectively of the stratum concerned.

*For Andhra Pradesh and Maharashtra, lists related to the year 1962.

N'_u and N'_l	--	the number of units which featured in the list but were not featuring in the latest available list nearest to the period of the Survey in the upper and lower size-groups respectively of the stratum concerned;
n_u and n_l	--	the total number of units in the sample (from 1963 list) in the upper and lower size groups respectively of the stratum concerned;
n'_u and n'_l	--	the number of sampled units, which were found at the time of the Survey to be closed or to have changed the line of production and for which no substitute unit was covered and hence left out in the upper and lower size groups; respectively of the stratum concerned;
X_{iu} and X_{il}	--	the total of the characteristic X in the <i>i</i> th-sample unit of the upper and lower size groups respectively of the stratum concerned.

The totals for an industry are obtained by summing up the totals obtained on the basis of the above formula for each one of the strata of the industry.

In any stratum the estimate for the characteristic Y correlated with employment is given by

$$Y = \frac{E_{N_u} - N'_u}{E_{n_u} - n'_u} \sum_i Y_{iu} + \frac{E_{N_l} - N'_l}{E_{n_l} - n'_l} \sum_i Y_{il} \quad \dots (2)$$

The summation extending over all the sampled units surveyed in the stratum.

Where Y == the estimated total of the Y characteristic for a particular stratum.

$E_{N_u} - N'_u$ and $E_{N_l} - N'_l$ == the total employment in 1963 in the $N_u - N'_u$ and $N_l - N'_l$ units respectively of the stratum.

$E_{n_u} - n'_u$ and $E_{n_l} - n'_l$ == the total employment in 1963 $n_u - n'_u$ and $n_l - n'_l$ sampled units respectively.

Y_{iu} and Y_{il} == the total of the characteristic Y in the *i*th sample unit of the upper and lower size groups respectively of the stratum concerned.

The totals for an industry are obtained by summing up the totals obtained on the basis of the above formula for each one of the strata of an industry.

REPORT
ON
SURVEY OF LABOUR CONDITIONS
IN
AGRICULTURAL IMPLEMENTS FACTORIES IN
INDIA



सत्यमेव जयते

LABOUR BUREAU
MINISTRY OF LABOUR AND EMPLOYMENT

P R E F A C E

Industrial labour and its problems have been the subject of interest, though varying in degree and extent, ever since India entered the industrial field over a century ago. To-day this interest has shifted from prevention of exploitation of labour to providing a fair deal and opportunities for a fuller life to labour. The growing realisation of this approach to problems of labour in India, in the context of present-day planned economic development of the country, is provided a sound base by the Surveys that reveal true conditions of labour.

The last detailed survey on a country-wide basis of the working and living conditions of industrial labour was conducted by the Labour Investigation Committee, appointed by the Government of India in 1944. The years that followed witnessed far-reaching changes in the set-up of the country, its basic policies and national objectives. As a result, the long-term strategy for economic and industrial advance recognises the well-being of the working class as an essential factor in the over-all stability and progress of the country. The adoption of this policy, in the changed circumstances of the country, has brought about a new awakening in the ranks of labour and afforded them much relief in various directions through legislation and other measures.

In order to assess the impact of these measures on the industrial labour and to appraise their present conditions, a scheme for a comprehensive Survey of Labour Conditions was incorporated in the Second Five Year Plan and its execution was entrusted to the Labour Bureau. The Survey was conducted according to a phased programme in 46 industries. This report presents data regarding Agricultural Implements Factories covered under the scheme during 1960-61.

The present survey differs considerably from similar investigations in the past in matters of design, scope and presentation of data. It has also certain distinguishing features. For example, it furnishes data separately for large and small establishments in various industries, makes a limited study of labour cost in relation to the benefits and amenities that the workers now enjoy, seeks to fill the gap in the statistics of labour-turnover and absenteeism in the factory industries and provides first-hand information on certain important aspects of labour-management relations. Attempt has also been made to collect and interpret data on certain conventional items in a more meaningful way. In the presentation of the data the effort has been to reduce the information into quantitative terms so as to serve as a bench-mark for purposes of evaluation of changes at a future date. Recourse to general description has been resorted to only where the other type of treatment was not possible.

In a survey of this magnitude it was but natural that many problems had to be faced both in planning as well as execution. Most of these flowed from non-availability of up-to-date frames and absence or improper maintenance of records in many establishments. In many cases

the field staff had almost to build up the required statistics from various sources. This naturally imposed a heavy demand on the managements and the Bureau is deeply indebted to them for their whole-hearted co-operation. The co-operation and valuable assistance received from associations of employers and workers, Labour Commissioners as well as Chief Inspectors of Factories and other officials of State Labour Departments is also gratefully acknowledged.

The debt of gratitude that I owe to the Central Statistical Organisation and the Chief Adviser of Factories for evincing keen interest in the Survey and rendering technical advice on various matters is indeed great. I am also thankful to the Employment Division of the Planning Commission for examining the schedule and instructions and offering useful suggestions. I am equally grateful to the Bureau of Labor Statistics, U.S.A., Social Surveys Division, Ministry of Labour and Social Service, U.K., Economics and Research Branch, Department of Labour, Canada and Labour Statistics and Research Division, Ministry of Labour, Japan, whose advice was sought on several technical matters.

The primary responsibility for conducting this Survey and bringing out the reports on individual industries was ably borne by Shri B. N. Srivastava, Deputy Director, whose experience and application came into full play in this assignment. On various statistical problems arising out of the Survey the requisite technical advice was provided to him by other officers at the Headquarters. In the drafting of this report, he received also valuable assistance from Shri K. Lakshminarayanan, Research Officer (who was also one of the field supervisors); Shri Krishan Kumar Sharma and Shri A. K. Minocha, Computers assisted in computation. The field investigations were carried out by S/Shri Kripal Singh, N. D. Puri, S. Roy, A. S. Joseph, R. C. Malhotra, R. K. Pillay, B. Raghavan, R. K. Kapoor, P. R. Madhavan, S. S. Kaul, N. K. Basu, Prem Chand Aggarwal, K. C. Sharma, S. L. Khanna, R. L. Bambey and H. G. Tehri under the supervision of S/Shri H. G. Gupta, G. B. Singh, Harbans Singh, R. N. Mukherjee and H. K. Gogna. To these all my thanks are due.

The views expressed in this report are not those of the Ministry of Labour and Employment, Government of India.

LABOUR BUREAU, SIMLA
Dated the 16th May, 1964

K. C. SEAL
Director

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CHAPTER I

INTRODUCTION

Though India has been manufacturing implements required for agricultural purposes since times immemorial, it is only recently that the Agricultural Implements Industry has grown and developed into a factory industry. There are three distinct sectors of the industry *viz.*, (i) artisan units, (ii) fabricators, and (iii) foundries. It is in the nature of light engineering industry concentrated mostly in rural areas and organised on a small-scale basis. In fact, it is one of the important small-scale industries of the country. During recent years, a number of fabricating establishments and foundries have sprung up in cities throughout the country. Nevertheless, the thousands of carpenters and blacksmiths working in the rural areas and catering to the needs of agriculturists still constitute the backbone of this industry. In view of the absence of any list of such small establishments and the obvious problems connected with the coverage of such scattered establishments, the enquiry was confined to establishments registered as factories under the Factories Act, 1948. The information given in the report and the discussions therein relate only to Agricultural Implements factories covered under the Factories Act, 1948.

1.1. *Growth of the Industry*

The following Statement gives the number of Agricultural Implements factories registered under the Factories Act, 1948 together with their average daily employment since 1950.

STATEMENT 1.1

*Number of Agricultural Implements Factories and Average Daily Employment 1959-60**

Year	No. of factories	Average daily employment
(i)	(ii)	(iii)
1950	256	11,497
1951	289	13,453
1952	311	10,810
1953	220	7,590
1954	237	8,512
1955	235	8,721
1956	269	11,769
1957	319	12,652
1958	337	11,825
1959	393	14,575
1960	399	15,588

* Till the year 1955 the information relates to factories covered under the Factories Act and submitting returns. From 1956 onwards the information relates to all factories registered under the Factories Act; for those which did not submit the returns during any year the employment figure was estimated.

The following Statement gives the details regarding the distribution of Agricultural Implements factories in various States during 1960:

STATEMENT 1.2

Number of Agricultural Implements Factories in Some Important States—1960

Serial No.	State	No. of factories	Average daily employment
(i)	(ii)	(iii)	(iv)
1	Punjab	192 (48·1)	4,394 (28·2)
2	U. P.	93 (23·3)	3,423 (22·0)
3	Madras	52 (8·0)	2,996 (19·2)
4	Other States	82 (20·6)	4,775 (30·6)
Total		399	15,588

NOTE:—Figures in brackets are percentages to totals in the respective columns.

It will be seen from the above Statement that the largest concentration of Agricultural Implements factories was in Punjab which accounted for 48 per cent. of factories and 28 per cent. of workers employed in the industry in the country. Uttar Pradesh was the next important State and the third place was taken by Madras. These three States together accounted for nearly 80 per cent. of the factories and about 70 per cent. of the total workers. Next to Madras State, the States where the industry had some units were Mysore, Rajasthan, Maharashtra, Gujarat and Delhi. In other States the number of units was either negligible or there were no units at all. Generally all factories were small size establishments, most of them employing not more than 25 or 30 workers each. It must, however, be stated that the above statistics concerning the number of factories, etc., relate only to units registered under the Factories Act, 1948 and no account is available regarding the unorganised sector of the industry which is outside the purview of the Factories Act, 1948.

1.2. *Genesis of the Survey*

The first comprehensive survey of conditions of labour in various industries in India on a country-wide basis was conducted by the Royal Commission on Labour during 1929-31. Its report and findings formed the basis of various ameliorative measures. After a lapse of over a decade, i.e., in 1944, the Government of India appointed another Committee, viz., the Labour Investigation Committee, to enquire into the conditions of labour in all important industries. The Committee conducted detailed investigations in 38 industries, during 1944-45 and, besides a main report on Labour Conditions in general, published individual reports in respect of various

industries. The Agricultural Implements Industry was not surveyed as a separate industry by the Committee persumably because this industry was not an important one at that time. These reports provided valuable material for the information required for the formulation of labour policy. The years that followed, witnessed many changes of far-reaching significance. For instance, many legislative measures were adopted to improve working and living conditions and several schemes were introduced for promoting welfare and social security of workers. The setting up of the adjudication machinery also led to improvement in conditions of work and wages in various industries. Above all, the attainment of Independence by the country gave a new status to the working classes. In view of these developments, the Government as well as the Planning Commission considered it necessary that a fresh comprehensive survey of labour conditions in various industries should be conducted so that it may be possible to assess the effects of the various measures and obtain a precise picture of the existing conditions and problems of labour for purposes of deciding future course of action. Accordingly, a scheme for the conduct of a Survey of Labour Conditions was included in the Second Five Year Plan and the Labour Bureau was entrusted with the execution of the Scheme.

1.3. *Scope and Design*

It was decided that the Survey should cover all important industries in the country. In view of the absence of a complete list of undertakings, whether covered under various labour laws or not, it was decided that the scope of the enquiry should be restricted to establishments registered under the Factories Act, 1948, Mines Act, 1952 or the Plantations Labour Act, 1951 as the case may be. Since some of the industries were highly localised in a few areas, it was considered desirable to plan the Survey in such a manner that separate estimates become available for each such centre of concentration. In the case of those industries which were dispersed and scattered throughout the country i.e., without any centre of concentration, it was decided to obtain only an all-India estimate. The past experience had revealed existence of wide variations in conditions of work, standards of welfare and amenities, etc., in the units of different size-groups in each industry. It was, therefore, felt that it would be useful to collect and study data separately for units of different sizes. In the light of the resources available and from the point of view of practicability, it was decided that for purposes of the Survey, units of each industry may be divided into two size-groups—large and small. As regards the sample size, 25 per cent. of large-size units and 12.5 per cent. of small-size units were thought to be adequate to yield reliable results.

For the Survey in the Agricultural Implements Industry, the 1958 list of factories registered under the Factories Act, 1948, i.e. the latest available, was used as a frame for drawing the sample. Since the Agricultural Implements factories were found to be scattered throughout the country, it was considered desirable to have only one stratum viz., All-India. For purposes of stratifying the units into large and small size-groups, the stratification point utilised for the Wage Census conducted by the Labour Bureau in 1958-59 was used. The stratification point for the Wage Census was arrived at on the basis of a study of optimum allocation and was very near the average employment size of establishments. This point was 30 in case of this industry. Though it was considered that 25 per cent. sample of the large factories and 12.5 per cent. sample of small factories would be adequate to yield reliable results, it was found in the course of the Wage

Census conducted by the Bureau that a large number of samples could not be canvassed either because of non-existence of such establishments or because some went out of existence before they were canvassed. In order to safeguard against the possible shrinkage of the sample-size due to the above mentioned contingencies, the sample-size was enlarged in the light of the experience of the Wage Census and on the basis of a study of closures for the past few years as revealed from the annual list of registered Agricultural Implements factories. The sampling fraction ultimately adopted was 33.3 per cent. for the large-size factories and 20 per cent. in the case of small size factories. The following Statement shows the number of Agricultural Implements factories together with the number of workers employed therein (a) in the frame, (b) in samples and (c) samples actually covered:

STATEMENT 1.3

Number of Agricultural Implements Factories and Workers Employed Therein in the Frame and As Covered by the Survey

Size	In the frame		In the sample selected		In the sample actually covered	
	No. of factories*	No. of workers*	No. of factories	No. of workers	No. of factories	No. of worker
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)
Large factories . . .	90	9,183	30	3,748	28 (31.1)	3,618 (39.4)
Small factories . . .	274	4,020	55	783	36 (13.1)	550 (13.7)
All-factories . . .	364	13,203	85	4,531	64 (17.6)	4,168 (31.6)

From the figures given in the Statement above, it would be seen that the Survey ultimately covered nearly 17.6 per cent. of the Agricultural Implements factories and about 31.6 per cent. of the workers employed therein. Since only those factories came in the sample as featured in the frame and as it was not possible to take account of new factories which came into being during the period of the Survey, the information given in this report should be treated to relate to conditions in the factories which were in existence during the period to which the frame relates and which continued to exist at the time of the Survey.

The data were collected by personal visits of the field staff of the Bureau. With a view to testing the schedule and instructions prepared for the Survey as also to impart training to the field staff, a pilot enquiry was conducted in September and October 1959. On the basis of the experience of this enquiry, the schedule¹ and instructions were suitably revised. The main field enquiry was launched late in December 1959 and ended in June 1961. Since the enquiry, in essence, was during 1960-61, the data except where specifically mentioned, should be treated to relate to this period.

The Schedule used for the Survey has been given as Appendix II in the Report on Survey of Labour Conditions in Silk Factories in India.

* Statistics given in columns (ii) and (iii) may not tally with similar figures in Statement 1.1 on page 1 as the frame for some of the centres related to 1957. Moreover, these figures, are based on the lists available at the time of drawing samples whereas Statement 1.1 contains final figures.

CHAPTER II

EMPLOYMENT

The Agricultural Implements Industry, if taken only as a factory industry, i.e., units covered under the Factories Act, 1948 does not give a true picture of its employment potential for it does not take into account the unorganised sector which exists as a cottage or small-scale industry. Since, however, the scope of the Survey was limited to the units covered under the Factories Act, 1948, details discussed in the following paragraphs relate to the units covered under the Factories Act only.

The available statistics show that there has been a more or less steady expansion of the industry since 1953. As against 220 registered factories with an average daily employment of 7,590 in 1953, there were 393 factories in 1959 with an average daily employment of 14,575 recording an increase of nearly 79 per cent. in the number of factories and about 92 per cent. in employment.

2.1. Composition of the Working Force

Data on employment were collected during the Survey for a fixed date, i.e., 31st December, 1959 from all the sampled units. The results of the Survey reveal that on this date the estimated employment strength of the Agricultural Implements factories registered under the Factories Act, 1948 was 16,751 in the entire country. This figure when compared with the statistics of the Factories Act, shows an upward trend indicating a difference of a little over 2,000 workers. The difference is to some extent natural as there is difference in the scope of the two sets of figures. For example, the strength of employment estimated on the basis of the statistics collected during the Survey relates to the number of persons on roll at a fixed point of time whereas the Factories Act statistics represent average daily employment during the year. Moreover, statistics collected relate to all persons on roll, whether covered under the Factories Act or not.

2.2. Distribution by Broad Occupational Groups

For purposes of the Survey, the classification of occupations was based on the International Standard Classification of occupations as adopted by the International Labour Office. These were as follows:—

- (a) Professional, Technical and Related Personnel.
- (b) Administrative, Executive and Managerial Personnel.
- (c) Clerical and Related Workers (including Supervisory),
- (d) Production and Related Workers (including Supervisory).
 - (i) Employed directly and
 - (ii) Employed through Contractors, and
- (e) Watch and Ward and Other Services.

Statement 2.01 gives the estimated number of employees on roll by broad occupational groups in the Agricultural Implements Industry as on 31st December, 1959.

STATEMENT 2.01

Distribution of Workers by Broad Occupational Groups—December, 1959

Size	Estimated Number of Employees					
	Total	Professional, Technical and Related Personnel	Administrative, Executive and Managerial Personnel	Clerical and Related Personnel (including Supervisory)	Production and Related Workers (including Supervisory)	Watch and Ward and Other Services
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)
Large factories .	11,445	302 (2.6)	84 (0.7)	653 (5.7)	9,884 (86.4)	522 (4.6)
Small factories .	5,306	84 (1.6)	114 (2.1)	269 (5.1)	4,594 (86.6)	245 (4.6)
All factories . .	16,751	386 (2.3)	198 (1.2)	922 (5.5)	14,478 (86.4)	767 (4.6)

NOTE:—Figures in brackets are percentages to the total in Col. (ii).

It will be seen from the above statistics that "Production and Related Workers (including Supervisory)" constituted the bulk of the working force accounting for as much as 86.4 per cent. of the total estimated working force of 16,751 in the industry. There was practically no variation as between the large and small factories in this distribution. The next in the order of importance was "Clerical and Related Workers (including Supervisory)" which accounted for 5.5 per cent. of the total working force, while "Watch and Ward and Other Services" and "Professional, Technical and Related Personnel" constituted 4.6 and 2.3 per cent. of the total respectively. Persons coming under the category "Administrative, Executive and Managerial Personnel" were very few as they formed only 1.2 per cent. of the total employees as on 31st December, 1959.

2.3. Workers Not Covered under the Factories Act.

The Factories Act, 1948 defines "worker" as a "person employed directly or through any agency, whether for wages or not, in any manufacturing process, or in cleaning any part of the machinery or premises used for a manufacturing process, or in any other kind of work incidental to or connected with the manufacturing process or the subject of manufacturing process.....". Data collected during the Survey indicate that the proportion of workers who were not covered under the Factories Act, 1948, was insignificant, as such workers constituted only 2.1 per cent. of the estimated labour force in the industry in the whole country. Among the production workers, there was none who was not covered under the Factories Act, but there were employees in other categories such as 'Professional and Technical Personnel', 'Administrative, Executive and Managerial Personnel', 'Clerical and Related Workers (including Supervisory)' and 'Watch and Ward and Other Services', who were not covered under the Factories Act, 1948. The following Statement gives the distribution of workers, covered and not covered under the Factories Act according to different categories.

STATEMENT 2.02

Estimated Number of Persons Covered and Not Covered under the Factories Act Including Contract Labour—December, 1959

Size	Professional, Technical and Related Personnel		Administrative, Executive and Managerial Personnel		Clerical and Related Personnel (including Supervisory)		Production and Related Workers (including Supervisory)		Watch and Ward and Other Services		Total	
	Covered	Not covered	Covered	Not covered	Covered	Not covered	Covered	Not covered	Covered	Not covered	Covered	Not covered
(*)	(i)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)	(xi)	(xii)	(xiii)
Large factories	281 (93.0)	21 (7.0)	44 (52.4)	40 (47.6)	552 (84.5)	101 (15.5)	9,884 (100.0)	—	480 (92.0)	42 (8.0)	11,241 (98.2)	204 (1.8)
Small factories	42 (50.0)	42 (50.0)	48 (42.1)	66 (57.9)	245 (91.1)	24 (8.9)	4,594 (100.0)	—	227 (92.6)	18 (7.4)	5,156 (97.2)	150 (2.8)
All factories	323 (83.7)	63 (16.3)	92 (46.5)	106 (53.5)	797 (86.4)	125 (13.6)	14,478 (100.0)	—	707 (92.2)	60 (7.8)	16,397 (97.9)	354 (2.1)

NOTE: Figures in brackets indicate the percentages to the totals of the respective categories.

It will be seen from the above Statement that the proportion of workers who were not covered under the Factories Act was high in small factories. This is particularly so in the case of Administrative and Managerial Personnel, 57.9 per cent. of whom were not deemed to be covered under the Factories Act. This situation seems to be due to the fact that coverage of each person under the Factories Act depends upon the nature of work being done by him.

2.4. *Employment of Women*

The somewhat difficult nature of work in the Agricultural Implements Industry itself probably restricts the scope of employment of women. The results of the Survey indicate that in the Agricultural Implements Industry as a whole, women were being rarely employed. Details of proportion of men, women and children to the total are given in the following Statement:

STATEMENT 2.03.

*Proportion of Men, Women and Children to Total Working Force—
December, 1959*

Size	Estimated number of workers employed			
	Men	Women	Children	Total
(i)	(ii)	(iii)	(iv)	(v)
Large factories	11,440 (99.96)	5 (0.04)	—	11,445
Small factories	5,306 (100.0)	—	—	5,306
All factories	16,746 (99.97)	5 (0.03)	—	16,751

NOTE :—Figures in brackets are percentages to total in col. (v).

It was noticed that women, wherever employed, were engaged only as sweepers.

2.5. *Child Labour*

The findings of the Survey reveal that no child labour was employed at all in the Agricultural Implements Industry.

2.6. *Time-rated and Piece-rated Workers*

Both the systems of payment viz., piece-rates as well as time-rates were prevalent in the industry, but the proportion of time-rated workers to the

total number of workers was quite high, accounting for as much as 83 per cent. The Statement below gives the details:

STATEMENT 2.04

Proportion of Time-rated and Piece-rated Production Workers—December, 1959

Size	Estimated Number of Production Workers	Estimated percentage of	
		Time- rated workers	Piece- rated workers
(i)	(ii)	(iii)	(iv)
Large factories	9,884	88.8	11.2
Small factories	4,594	70.4	29.6
All factories	14,478	83.0	17.0

The proportion of piece-rated workers among the contract labour was higher (56 per cent.) as compared to direct labour (14 per cent.).

2.7. Contract Labour

The system of employing contract labour was in vogue in about 24 per cent. of the units in the industry. Smaller units accounted for a slightly higher proportion as compared to large factories, their corresponding percentages employing contract labour being about 25 and 22 respectively. Details are given in the following Statement:—

STATEMENT 2.05

*Volume and Extent of Contract Labour in Agricultural Implements
Factories—December, 1959*

Size	Number of factories	Estimated percent- age of factories employing contract labour	Estimated number of workers in the industry	Estimated number of workers employed through contract- ors	Estimated percent- age of workers employed through contract- ors
(i)	(ii)	(iii)	(iv)	(v)	(vi)
Large factories	82	22.0	11,445	302	2.6
Small factories	229	24.9	5,306	586	11.0
All factories	311*	24.1	16,751	888	5.3

Although contract labour was employed in 24 per cent. of the units, the proportion of such workers to the total number of workers employed in the industry as a whole was only about 5 per cent.

*It will be seen that the total number of factories given here is different from 303 as given in Statement 1.1 on p. 1. The difference is due to the fact that only those factories which continued to exist till the time of the Survey were covered.

It may be mentioned that the contract labour, wherever employed, was generally engaged only for a limited items of work. The system was prevalent in the Punjab State. In most of the units covered in this State, such processes as moulding, casting of iron, preparation of sand for moulding, etc., were being attended to by contract labour. In sampled units in other States, workers employed through contractors were found to be doing moulding, fitting of a Diesel Engines, casting of iron, etc. Thus, in the industry in the country as a whole, it can be said that contract labour was engaged predominantly for the moulding work. The reasons given by the employers for engaging contract labour differed from unit to unit even within the same centre, but generally these were as follows:

- (1) Contractors can get the work done more quickly and efficiently;
- (2) trained moulders are not available and the contractors were able to bring labour from outside;
- (3) the work attended to by contract labour is not of a regular nature and hence, it was not economical to employ permanent labour, and
- (4) it is profitable and more convenient to get certain items of work done through contractors as it saves them from the botheration of maintaining registers, etc., prescribed under various labour laws.

2.8. *Employment Status*

The data collected during the course of the Survey on employment status relate to only "production workers" covered under the Factories Act and employed directly by the managements (i.e., excluding those employed through contractors). Normally, classification of workers into permanent, temporary, etc., is regulated by the Standing Orders framed under the Industrial Employment (Standing Orders) Act, 1946, or some of the State Acts e.g., The Bombay Industrial Relations Act, 1946. But the above Acts apply only to units employing at least certain minimum number of workers and as most of the units in this industry were small, these had no standing orders. Therefore, in those units where there were no standing orders, and thus no firm basis, reliance had to be placed on the version of the managements for the classification of workers. The following Statement gives the percentage distribution of production workers employed directly and covered under the Factories Act according to their employment status:—

STATEMENT 2.06

Distribution of Production Workers Employed Directly According to Employment Status—December, 1959

Size	Estimated number of production workers employed directly	Estimated percentage distribution of Workers					
		Permanent	Probationers	Temporary	Casual	Apprentices	Badli and "Others"
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)
Large factories	9,582	56.8	4.6	18.3	6.8	13.5	—
Small factories	4,008	30.9	9.8	51.8	4.3	3.2	—
All factories	13,590	49.2	6.2	28.2	6.0	10.4	—

It will be seen that taking the industry as a whole, only about 49.2 per cent. of the production workers were permanent and the rest were non-permanent, i.e., belonging to such categories as 'temporary', 'casual' and 'apprentices'. There was no system of employing *badli* workers in this industry.

Next to permanent workers, 'temporary' category accounted for about 28.2 per cent. and the rest were apprentices or casual workers, their respective percentages to total production workers being 10.4 and 6.0. In small factories, temporary workers constituted as much as 51.8 per cent. of the total production workers, although the position was not so bad in large-size factories, where this category accounted for only 18.3 per cent.

2.9. Length of Service

Data relating to length of service collected in the course of the Survey also pertain to production and related workers (including supervisory personnel) employed directly by the managements and covered under the Factories Act. These are presented in the following Statement:—

STATEMENT 2.07

Distribution of Production Workers Employed Directly According to Length of Service—December, 1959

Size	Estimated number of production workers employed directly	Estimated percentage of workers with a service of			
		Less than one year	1 or more but less than 5 years	5 or more but less than 10 years	10 years and over
(i)	(ii)	(iii)	(iv)	(v)	(vi)
Large factories	9,582	30.2	36.4	17.4	16.0
Small factories	4,008	63.7	22.5	9.7	4.1
All factories	13,590	40.0	32.3	15.2	12.5

It will be noticed from the above Statement that in the industry as a whole 40 per cent. of the production workers had less than 1 year's service, 32.3 per cent. in the service group "1 or more but less than 5 years" and workers who had a service of 5 years but less than 10 years, and those who had put in more than 10 years together accounted for 27.7 per cent. of the total production workers. The high percentage of persons with shorter length of service is largely due to unstable labour force in small establishments. From figures given in Statements 2.09 and 2.10, it will be seen that the rate of accession and separation was nearly three times higher in small factories as compared to large ones.

Attempt was also made during the course of the Survey to find out broad reasons for the concentration of working force in any group, particularly in the service group 'less than one year'. The reasons given by the

obtained. The following Statements give the rate of accession and separation in the Agricultural Implements Industry during the year 1959:—

STATEMENT 2.09

Estimated Accession Rate in Agricultural Implements Factories During 1959

Month	Accession rate in		
	Large factories	Small factories	All factories
(i)	(ii)	(iii)	(iv)
January	2.6	11.3	5.1
February	5.2	14.5	7.7
March	4.8	16.0	7.6
April	6.2	24.5	10.7
May	4.6	18.4	8.0
June	5.2	11.9	6.8
July	7.1	31.9	13.8
August	7.0	21.2	11.1
September	6.7	14.6	9.0
October	5.1	14.0	7.8
November	7.3	18.1	10.6
December	8.6	11.9	9.6
Average	5.9	17.2	9.0

STATEMENT 2.10

Estimated Separation Rate in Agricultural Implements Factories during 1959

Month	Large factories	Small factories	All factories
(i)	(ii)	(iii)	(iv)
January	2.4	6.0	3.5
February	5.7	32.0	12.6
March	3.6	20.7	7.9
April	5.6	19.5	9.0
May	3.9	18.6	7.6
June	4.3	13.8	6.6
July	6.4	11.3	7.7
August	6.2	15.5	9.0
September	5.9	12.9	8.0
October	6.2	11.8	7.9
November	6.3	16.3	9.3
December	6.4	14.5	8.8
Average	5.3	15.7	8.2

Taking the industry as a whole, both the accession and separation rates were 9 per cent. and 8 per cent. respectively. The rate of accessions as well as separations was quite high in small factories, the respective percentages being 17.2 and 15.7. This indicates that the working force in the smaller units was more unstable. Very often, workers were found to leave the units abruptly and in many cases, they absented for long period and never turned up for work, thus necessitating the recruitment of substitutes in their places. No data could be collected indicating reasons for the high turnover.

An attempt was, however, made during the Survey to find out the causes for the separations and the statistics analysed are given in the following Statement. But, it may be stated that with very few exceptions, no records were being maintained by managements of separations of workers by causes and the statistics are generally based on the information given by managements.

STATEMENT 2.11

Separation by Causes in Agricultural Implements Factories during 1959

Size	Separation by causes			
	Discharge or Dismissals	Quits	Retirement or Death	Others
(i)	(ii)	(iii)	(iv)	(v)
Large factories	42.5	57.3	—	0.2
Small factories	4.2	95.1	0.6	0.1
All factories	22.0	77.5	0.3	0.2

It is evident from the Statement that "quits" accounted for about 78 per cent. of the total separations in the industry. In fact, in smaller units, about 95 per cent. of the separations were attributed to "quits".

2.12. *System of Recruitment*

The usual practice followed by majority of the factories in the Agricultural Implements Industry was to recruit workers directly at the factory gate. It was stated that as soon as a vacancy arose in a unit, the news spread, probably through the employees of the unit and applicants flocked at the factory gate. About 65 per cent. of the working force in the sampled units in 1959 was found to have been recruited at the factory gate. The employers were found to be making little use of Employment Exchanges; only 7.6 per cent. of workers were found to have been recruited through this agency and those so engaged were generally skilled personnel such as Mechanics, Turners and Fitters. The departmental heads also were not playing any important part in recruitment. Nearly 22 per cent. of the workers were being recruited through "other agencies", like Personnel Recruitment Committees, State Public Service Commission or Head Offices of the establishments. Service Commissions came into the picture only in the case of public undertakings and their scope was restricted to clerical and supervisory personnel. In one of the large factories in South India, a Personnel Recruitment Committee had been set up for selecting persons for filling vacancies.

It consisted of three members, viz., one Engineer, the Personnel Officer of the Company and the Welfare Officer. At the time of selection, the head of the sections where the vacancies existed was also co-opted.

2.13. *Regulation of Employment of Badli and Casual Labour*

The system of employment of *badli* workers was not in vogue in any of the units in the Industry, but casual labour was engaged in some of the units. In these units also, there was no regular system as such to systematise or regulate the employment of casual labour although managements of a few of them stated that casual workers were absorbed against permanent vacancies.

2.14. *Training and Apprenticeship*

The system of providing training to workers was prevalent in 26.4 per cent. of the Agricultural Implements factories in the country. The proportion of large-size factories providing training facilities was as high as 54 per cent. as against nearly 17 per cent. in the smaller ones. Of the units which reported training and apprenticeship, nearly 85 per cent. of the industry as a whole, had only *ad-hoc* arrangements and the remaining (15 per cent) had some regular scheme. All the small-size factories had *ad-hoc* arrangements only. As regards the large units, 72.7 per cent. of them had *ad-hoc* arrangements and a regular scheme was in vogue only in 27.3 per cent. of the units.

There was no fixed period for training. Usually, the period of training ranged from 3 months to one year; but, in certain cases, it ranged even from one year to 3½ years. As is the case of the period of training, the remuneration, wherever paid, also varied from unit to unit. It was noticed that in many units, there was no remuneration at all for the first three months of the training. In some units, the daily rates ranged from Re. 0.50 to Rs. 1.50 per day, while in a few units a fixed monthly remuneration ranging from Rs. 10 to Rs. 30 per month was being paid. None of the managements concerned guaranteed employment to apprentices after their training period was over. The training usually given in such occupations as moulding, turning, fitting, etc .

CHAPTER III

WAGES AND EARNINGS

3.1. *Wage Revisions and Minimum Wages*

At the time of the Survey, except in Punjab where minimum wages had been fixed under the Minimum Wages Act, 1948, everywhere wage rates and other emoluments of workers employed in the Agricultural Implements factories were not regulated by any law. Thus, the wage structure was found to be based mostly on isolated negotiations of individual workers and their employers and in a few cases, on collective agreements or conciliation awards. Data collected regarding the number and method of wage revisions effected show that during the period 1956—1960, only in 19.6 per cent. of the factories, the rates of wages or dearness allowance had been revised. There was no wage revision at all in the remaining (80.4%) units. This is probably due to the lack of concentration of units in any particular area and their isolated location as well as lack of organisation among workers. Of the units reporting wage revision, 71 per cent. had revised the rates of wages and/or dearness allowance only once, 14 per cent. twice and the rest more than twice.

There was no single method adopted in the matter of wage revisions. The following Statement indicates the percentage of units reporting wage revision according to different methods:

STATEMENT 3.1

Distribution of Units According to Methods of Wage Revision*

Size	Number of factories	Estimated percentage of units where wage revisions took place	Estimated percentage distribution of units according to methods formed in wage revisions					
			Voluntary	Collective agreement	Conciliation	Pay Committee report	Mutual oral understanding	Other methods
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)
Large factories	82	28.0	25.0	25.0	25.0	—	25.0	—
Small factories	229	16.6	33.4	16.7	33.3	16.6	—	—
All factories	311	19.6	30.2	19.8	30.2	10.3	9.5	—

*Data relate to only such of the units where wage revisions took place between 1956—60.

NOTE :—Figures in col. (iv) to (ix) are percentages to units in col. (iii).

In the above Statement, the fixation of minimum wages by the Government of Punjab in 1958 for the workers employed in the Agricultural Implements factories is not reflected as a method of wage revision. This

is probably due to the reason that in some of the establishments, the minimum rates of wages prevailing were the same or higher than those fixed under the Minimum Wages Act and, hence, there was no actual revision of wages. In the case of others, it was found that they were not following the statutory rates of wages. The wage rates fixed are however, given below:—

<i>Category</i>	<i>Minimum wages fixed</i>
1. Unskilled.	... Rs. 2/- per day or Rs. 60/- p.m.
2. (a) Semi-skilled Grade II.	... Rs. 2.25 per day or Rs. 68/- p.m.
(b) Semi-skilled Grade I.	... Rs. 2.62 per day or Rs. 80/- p.m.
3. (a) Skilled Gr. I.	... Rs. 4.00 per day or Rs. 120/- p.m.
(b) Skilled Gr. II.	... Rs. 3.50 per day or Rs. 105/- p.m.

3.2. *Pay Period*

The settlement of wages in the industry was usually effected once in a month although there were cases where settlement was made once in a fortnight, and/or in a week. Out of an estimated total number of 16,199* workers, 75.9 per cent. were found to be receiving wages once in a month, 12.0 per cent. once in a fortnight, 11.2 per cent. once in a week and the rest i.e., 0.9 per cent. had no fixed period at all. Details of pay periods for the large and small factories are given below:—

STATEMENT 3.2

Distribution of Estimated Number of Workers According to Pay Period

Size	Estimated percentage of workers whose pay period was			
	Month	Fort-night	Week	Not fixed
(i)	(ii)	(iii)	(iv)	(v)
Large factories	70.8	16.8	12.4	—
Small factories	87.1	1.4	8.7	2.8
All factories	75.9	12.0	11.2	0.9

It will be seen that in the country as a whole about 1 per cent. of workers did not have any fixed period for settlement of wages. Such workers were found to be employed in some of the small units which did not maintain records for payment of wages. The workers were being paid advances and the settlement of wages was done at the discretion of the management.

*Relates to all workers deemed to be covered under the Factories Act, 1948, excluding unpaid apprentices for whom the question of pay period does not arise.

3.3. Average Daily Earnings

3.3.1. *All Workers*—Since comprehensive data on wages were collected during the Occupational Wage Survey conducted by the Bureau, no attempt was made in the course of the present Survey to collect data pertaining to earnings of workers by occupations. Statistics pertaining to earnings were collected for the broad groups of workers e.g., all workers (i.e., all those covered under the Factories Act), all production workers (separately for men, women and children), the lowest-paid workers employed directly as well as under contractors, clerical employees and watch and ward and other related workers. In order to maintain comparability of data collected, details of earnings were collected for one pay period preceding 31st December, 1959, the month when the Survey was launched. The information so collected is presented in the following Statement:—

STATEMENT 3.3

Estimated Average Daily Earnings of Workers in Agricultural Implements Factories in December, 1959

(In Rupees)

Size	Average Daily Earnings of				
	All workers*	Production Workers			
		Men	Women	Children	All production workers
(i)	(ii)	(iii)	(iv)	(v)	(vi)
Large factories	3.38	3.04	—	—	3.04
Small factories	3.49	3.47	—	—	3.47
All factories	3.41	3.17	—	—	3.17

*Includes all persons covered under the Factories Act, i.e., Technical, Administrative, Production, Clerical as well as Watch and Ward and other employees.

The average daily earnings of a worker in the Agricultural Implements factories in the country worked out to Rs. 3.41 in December, 1959. An unusual feature of the figures is that the average earnings of workers in small factories is higher than earnings of those employed in large factories. This is due to the fact that one of the units which was located in a high wage-pocket and was a small establishment at the time when the sample was drawn, was found to have grown in size at the time of the Survey. Since it was paying very high wages, its influence has been reflected in the overall figures for the small-size factories.

3.3.2. *Production Workers*—As already discussed in the chapter on employment, production workers constituted the bulk of the working force. The average earnings of a production worker in the Agricultural Implements factories in the country was Rs. 3.17 per day. Here also, the average

daily earnings of the production workers in small factories were higher i.e., Rs. 3.47 as against Rs. 3.04 per day in the large factories. All the production workers were men and no women or children were found to be employed. The above daily earnings, therefore, relate to men production workers only.

The earnings of production workers differed widely from one area or centre to another. Generally speaking, their earnings were the lowest in factories in U.P., viz., Rs. 1.50 per day and were the highest in such centres as Delhi and Madras.

3.3.3. The Lowest-Paid Production Workers—The main occupations (on which the lowest-paid production workers were employed) were *mazdoor*, helper, fitter, assistant fitter, welder, etc. The rate of wages varied as between the different occupations depending on the centre where the units existed. The wage rate of the lowest-paid workers in small units varied from Re. 0.50 per day for the miscellaneous worker to Rs. 2.50 per day for the category, 'helpers'. As regards the rate in large units, it varied from Re. 1.00 per day to Rs. 2.27 per day for the *mazdoor*. Details of earnings of the lowest-paid workers are given in the following Statement:

STATEMENT 3.4

Estimated Average Daily Earnings of the Lowest-Paid Workers in the Agricultural Implements Factories in December, 1959

		(In Rupees)		
Size		Employed directly	Employed through contractors	All lowest-paid workers*
(i)		(ii)	(iii)	(iv)
Large factories		1.80	2.23	1.83
Small factories		1.64	2.12	1.68
All factories		1.73	2.18	1.77

*Since only men were employed as production workers, the earnings given above relate to the lowest-paid men workers only.

Contrary to what was noticed with regard to the average earnings of "all workers" and "production workers", the average daily earnings of the lowest-paid workers in the large factories are slightly higher than those employed in small factories.

It will also be seen from the above Statement that the earnings of the lowest-paid contract workers were invariably higher as compared to those employed directly. This is mainly due to the fact that most of the workers employed through contractors were engaged in skilled operations (e.g., moulding) and consequently, getting better wages, whereas the directly employed lowest-paid workers were mostly engaged on unskilled jobs like that of *mazdoors* or *begari*.

3.3.4. *Earnings of Clerical and Watch and Ward Staff*—In the course of the Survey, data were also collected concerning earnings, without break-up by components, of clerical staff and persons employed as watch and ward and other services and the results are given in the following Statement:

STATEMENT 3.5

Estimated Average Daily Earnings of Clerical and Watch and Ward Staff—December, 1959

(In Rupees)

Size	Clerical and Related Workers (including Supervisory)	Watch and Ward and Other Services
(i)	(ii)	(iii)
Largo factories	5.18	2.40
Small factories	4.57	1.56
All factories	4.99	2.13

The average daily earnings of the watch and ward staff are higher than the daily earnings of the lowest-paid workers (among production workers), but these were lower when compared with the earnings of 'all production workers'.

The average daily earnings of clerical staff which worked out to Rs. 4.99 in the Agricultural Implements factories in the country as a whole were the highest as compared to those of other important categories such as production workers. Clerical staff who were invariably monthly-rated had better scales of pay, etc., than the production workers.

3.4. *Components of Earnings*

3.4.1. *Basic Wages and Dearness Allowance*—Basic earnings, i.e., basic wages and dearness allowance (wherever paid as a separate component) formed almost the entire earnings of workers in the industry accounting for about 98 per cent. of the average daily earnings. The details of various components of earnings of workers are given below:—

STATEMENT 3.6

Estimated Average Daily Earnings by Components of Workers in Agricultural Implements Factories in December, 1959

(In Rupees)

Size	Basic earnings (Basic d.a.)	Production Bonus	Night-shift allowance	House Rent allowance	Transport allowance	Overtime pay	Other cash allowances	Other concessions in kind	Total
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Largo factories	3.28 (97.0)	0.01 (0.3)	—	—	—	0.07 (2.1)	0.01 (0.3)	0.01 (0.3)	3.38 (100.0)
Small factories	3.45 (98.8)	—	—	—	0.03 (0.9)	0.01 (0.3)	—	—	3.49 (100.0)
All factories	3.33 (97.6)	0.01 (0.3)	—	—	0.01 (0.3)	0.05 (1.5)	0.01 (0.3)	—	3.41 (100.0)

NOTE:—Figures in brackets are percentages to totals in col. (x).

3.4.2. *Dearness Allowance*—It is estimated that in the country as a whole, only 14.5 per cent. of the Agricultural Implements factories were paying dearness allowance as a separate component while in the rest, workers were getting only consolidated wages. The proportion of large-size factories paying a separate dearness allowance was 40.2 per cent. as compared to 5.2 per cent. among small factories. Since the units were scattered all over the country, there was naturally no uniformity in the matter of types of workers who were entitled to dearness allowances, rate of d.a., etc. In certain units, all regular workers, except casual workers and apprentices, alone were eligible while in a few others, only monthly rated workers were entitled to dearness allowance. Only in a few units (26.7 per cent.), the benefit was enjoyed by all workers, irrespective of their employment status.

There was no uniformity in the method of payment of dearness allowance. Of the units paying a separate dearness allowance, 53.3 per cent. were paying at a flat rate and 33.4 per cent. paid at a rate varying according to income groups. Only in 13.3 per cent. of the units, the amount paid was linked to consumer price index number. The position with regard to large and small factories are given in the following Statement:—

STATEMENT 3.7

Percentage Distribution of Units Paying Separate Dearness Allowance According to Methods

Size	Number of factories	Percentage of factories paying a separate dearness allowance	Percentage of units paying d.a. by the method			
			Linked to Consumer Price Index	Slab (i.e., basic pay)	Flat rate	Others
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)
Large factories . .	82	40.2	18.2	45.4	36.4	—
Small factories . .	229	5.2	—	—	100.0	—
All factories . .	311	14.5	13.3	33.4	53.3	—

It is clear that the only method that was prevalent in the smaller units was payment of flat rate.

3.4.3. *Production/Incentive Bonus*—Barring a very few units, the system of paying production or incentive bonus was almost non-existent in the industry. It is estimated that such a system existed in less than 2 per cent. of the units in the country. In nearly half of them, the schemes were in an experimental stage. In others, incentive bonus was being paid only to workers employed in some of the sections (e.g., Power Forging and Hand Forging sections). They were paid bonus on exceeding the norms fixed.

3.4.4. *Transport Allowance*—Like incentive bonus, the system of paying transport allowance was not much in vogue in the industry. Only in one small factory (which was a well-organised Ltd., concern), such an allowance was being paid to all their permanent workers according to their grades of pay. The sum paid ranged from Rs. 20 to Rs. 30 p.m.

3.4.5. *Overtime Pay*—Payment for overtime was reflected in the earnings of the workers both in large as well as small factories and accounted for 1.5 per cent. of the average daily earnings of the workers in the industry. In the large factories the percentage of overtime payment was higher (i.e., 2.1 per cent.) as compared to smaller ones (0.3 per cent.).

3.4.6. *Other Cash Allowances*—There was hardly any other cash allowance paid to the workers in the Agricultural Implements factories in the country which could be mentioned. Only in very few units, the management gave certain small sums (ranging from Rs. 1.75 to Rs. 2.50) as dress allowance to sweepers and watchmen. In one public-owned factory in North India a city allowance at the rate of Rs. 2.00 p.m. was being given to the Class IV staff.

3.5. *Annual Bonus*—None of the Agricultural Implements factories had any regular profit-sharing scheme, but the system of paying year-end bonus or festival bonus was found to be in vogue in the industry. The results of the Survey indicate that the annual bonus was paid in about 27.6 per cent. of the units. Such a practice existed both in large and small factories and the payment was usually being made at the year-end or at the time of some important festivals like "Diwali". The proportion of large-size factories paying such bonus was much higher. In this group, 50 per cent. of the factories had such a system as compared to 20 per cent. among smaller factories.

It cannot be stated with any degree of accuracy as to the year when the bonus was started in the industry, but the available information, collected during the course of the Survey, indicates that the system of paying some bonus has been in existence since 1949.

Of the establishments paying bonus, in 65.1 per cent., the bonus was being paid at the discretion of the managements while in 31.4 per cent. it was being paid as a result of agreements between employers and workers. In the rest (i.e., 3.5 per cent.), payment was made as a consequence of intervention of conciliation machinery of States.

The details are given in the following Statement:—

STATEMENT 3.8

Distribution of Agricultural Implements Factories Paying Bonus According to Basis of Payment (1960-61)

Size	Number of factories	Estimated percentage of factories which paid some bonus	Estimated percentage distribution of units mentioned in col. (iii) according to basis adopted for payment of bonus			
			Discretion of managements	Mutual agreement	Award	Others (conciliation)
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)
Large factories	82	50.0	43.9	48.8	—	7.3
Small factories	229	19.6	84.4	15.6	—	—
All factories	311	27.6	65.1	31.4	—	3.5

In large factories, bonus was paid in terms of basic earnings and the quantum ranged from 15 days' basic earnings to $\frac{1}{3}$ of the basic earnings earned during the bonus period. The method of payment was more or less the same in small factories, but the amount of bonus varied from 10 days' basic earnings to 2 months' basic earnings.

Usually, the conditions for payment of bonus were that the worker must have been in service in the factory during the year for which bonus was payable. As regards the categories of workers entitled, generally, there was no distinction; but in a few units apprentices were excluded from the scope of payment of bonus and in a few units, managerial staff were left out.

3.6. *Fines and Deductions*

The system of imposing fines or making deductions was not much in vogue in the industry. There were very few units (3.9 per cent.) where such a system was noticed and these units constituted an insignificant proportion of the total. The percentage of large-size units imposing fines was 7.3. The corresponding figure for small factories was 2.6. No proper registers of fines realised were reported to be maintained in such units and the amounts were not being utilised at all.

CHAPTER IV

WORKING CONDITIONS

Largely due to the fact that the Agricultural Implements Industry as a factory industry emerged only recently in India, it was not subject to any special study. Consequently, it is not possible to discuss the changes that have taken place in the working conditions of workers employed therein and the following paragraphs only describe the position as it was found at the time of the present Survey.

4.1. *Hours of Work*

The Factories Act, 1948 limits the daily hours of work to 8 and weekly hours to 48. The information collected in the course of the Survey shows that all the establishments were respecting the law in the matters of hours of work. In none of the factories, the weekly hours exceeded 48. In the case of daily hours, barring a few, all worked 8 hours a day. The distribution of factories according to hours of work is given in the following Statement:—

STATEMENT 4.1

Daily Hours of Work in Agricultural Implements Factories in 1960-61

Size	Number of factories	Estimated percentage of factories where daily hours of work for majority of adult workers were			Estimated percentage of factories where timings were observed
		Less than 8 hours	Equal to 8 hours	More than 8 hours	
(i)	(ii)	(iii)	(iv)	(v)	(vi)
Large factories	82	3.7	96.3	—	68.3
Small factories	229	5.7	94.3	—	63.8
All factories	311	5.1	94.9	—	65.0

The daily hours of work of the workers in nearly 95 per cent. of the factories were 8 and in the rest, these were even less than 8. It was noticed that in some of the factories (3 per cent.), the daily hours of work were more than 8 and up to 9 on certain days, but less than 8 on certain other days. These were so adjusted that the weekly hours did not exceed 48. However, it was noticed that in a fairly high proportion of factories, the timings were not strictly observed and some workers were found to be working in the evenings beyond the scheduled hours or during rest-intervals. Such irregularities were, generally, noticed in units in Punjab and U.P. and also in Mysore and Maharashtra, to a certain extent. The percentage of such factories is estimated to be 35 in the country.

As regards the spread-over, it was observed that in 78 per cent. of the factories, it was between 8 to 9 hours, in 18 per cent. more than 9 hours

and in the remaining, it was less than 8 hours. The following Statement gives details regarding the spread-over and hours of rest interval observed in the factories:—

STATEMENT 4.2

Distribution of Factories According to Duration of Spread-over and Rest-interval, 1960-61

Size	Number of factories	Estimated percentage of factories where					
		Spread-over for adult workers was			Rest-interval for adult workers was		
		Less than 8 hours	8 to 9 hours	More than 9 hours	Less than $\frac{1}{2}$ hour	$\frac{1}{2}$ to 1 hour	More than 1 hour
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)
Large factories	82	—	85.4	14.6	—	85.4	14.6
Small factories	229	5.7	75.1	19.2	—	80.4	19.6
All factories	311	4.2	77.8	18.0	—	81.7	18.3

4.2. Shifts

One-shift system predominated in the industry. In fact, all small-size factories were working only one shift a day. Among larger factories alone 39 per cent. of the establishments worked two or three shifts a day. Since small factories dominate in this industry, the overall percentage of factories working only one shift was nearly 90. The details are given in the following Statement:—

STATEMENT 4.3

Distribution of Agricultural Implements Factories According to Number of Shifts and Night Hours of Work, 1960-61

Size	Number of factories	Estimated percentage of factories having			Estimated percentage of factories having night shift	Estimated percentage distribution of factories according to hours of work for the night shift			
		One shift	Two shifts	Three shifts		Less than 6 hours	More than 6 but upto 7 hours	More than 7 but upto 8 hours	More than 8 hours
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Large factories	82	61.0	35.4	3.6	14.6	50.0	—	50.0	—
Small factories	229	100.0	—	—	—	—	—	—	—
All factories	311	89.7	9.3	1.0	3.9	50.0	—	50.0	—

NOTE:—(1) Percentages in col. (vi) indicate percentages to total units in col. (ii). (2) Percentage figures given in cols. (vii) to (x) relate to units in col. (vi).

It will be seen from the above Statement that only about 15 per cent. of the large units had the system of night shift. In fact, none of the small units had any night shift at all. Of the units (in large size) which had night shifts, in 50 per cent. night shift hours of work were 6 and in the rest more than 7, but upto 8.

4.3. *Changeover of Shifts*

Of the factories working night shift 75 per cent. had a regular system of transferring workers from one shift to another. Usually such changeovers were effected once in a week.

4.4. *Amenities to Night Shift Workers*

As already stated earlier, night shifts were worked only in large units in the industry. It was seen during the course of the Survey that some of the units having a system of night shift gave certain amenities to their workers who worked during such shifts. It is estimated that about 75 per cent. of the large factories which had a system of night shift had provided amenity in the form of free supply of tea. Out of these units, a few of them had reduced working hours also.

4.5. *Dust and Fumes*

4.5.1. *Dust*—The very nature of the manufacturing processes in the Agricultural Implements factories is such that dust cannot be avoided. Dust hazard was invariably present in the establishments having foundry sections. The results of the Survey reveal that about 34 per cent. of the factories had manufacturing processes which gave off considerable dust.

All such factories had taken precautions for suppressing the dust. As regards the type of precautions, 94 per cent. had adopted wet processes and in the remaining units general exhaust was provided.

Apart from the suppression of dust by the processes indicated above, it was also noticed that the departments entailing dusty processes were isolated in 82 per cent. of the concerned factories. Supply of dust mask was also reported in a few units, particularly in large size units where such units accounted for 7.3 per cent. of the total units.

4.5.2. *Fumes*—Fumes were generally reported in departments having items of work such as welding, spray-painting and moulding to some extent. The results of the Survey reveal that in only about 11 per cent. of the units presence of fumes was noticed in some of the departments. In most of the cases, precautions had been taken for arresting and removing fumes either through local exhaust or general exhaust system. In some of the factories, no exhausts had been installed; but the processes were isolated. The general house-keeping in units (where the dusty processes existed) was found to be, generally, satisfactory in most of the units.

4.6. *Lighting, Ventilation, etc.*

Lighting arrangements in about 95 per cent. of the factories were either good or satisfactory. Similarly, ventilation arrangements were found to be good or satisfactory in all the units surveyed. Over-crowding also was not much in evidence as it was noticed only in about 13.2 per cent. of the factories in the industry.

4.7. *Seats for Workers*

According to Section 44 of the Factories Act, 1948 it is necessary for managements to provide suitable arrangements for sitting for all such workers who are obliged to work in a standing position so that they may take advantage of any opportunities for rest which may occur in the course of work. The results of the Survey reveal that 19.5 per cent. of the factories had made some seating arrangements for workers who were obliged to work in a standing position. The main reason which the employers generally put forth for not providing any seats for these workers was that production would be adversely affected if seats were provided to such workers. Some of the employers pleaded ignorance of the law and a few of them tried to take shelter behind the plea that the Government authorities administering the Factories Act had not advised them on this point.

4.8. *Trade Waste*

None of the sampled units reported any trade waste.

4.9. *Conservancy*

In the matter of providing latrines, the position was quite satisfactory in this industry as almost 82 per cent. of the factories had provided the arrangements. As between the large and small factories, all the factories in the former group had arrangements for latrines while only 75 per cent. of the small establishments had provided latrines.

Units not providing any latrines were found to be in Punjab, Mysore and Uttar Pradesh. The reason generally adduced by the managements for not providing latrines were that workers used public latrines or other conservancy arrangements in the vicinity and hence, it was not considered essential to make separate arrangement. The details collected during the Survey are presented in the Statement 4.4.

Employment of women was also negligible. However, wherever they were employed, no separate arrangements had been made for them probably because they were in the conservancy staff.

Except for a very few cases, all latrines and urinals were found to be *pucca* built with plastered walls. However, in regard to sanitary conditions, there was considerable scope for improvement. On the basis of the data collected during the Survey, it is estimated that sanitary conditions of privies were satisfactory only in about 58 per cent. of the factories in the country. A comparatively better standard was being maintained in large factories than in small ones. The percentage of large factories with satisfactory conditions was 72 as against 53 in small ones.

4.10. *Leave and Holidays With Pay*

Though the law requires the employers to grant annual leave (earned leave) with pay to all their employees, yet either by convention or as a result of agreements or adjudications, the system of granting other types of leave and holidays has now come into vogue in a fairly large number of factories in Agricultural Implements Industry.

STATEMENT 4.4
Agricultural Implements Factories Providing Arrangements for Latrines, etc., 1960-61

Size	Number of factories	Estimated Percentage of Factories									
		Providing		Where latrines were of				Providing	Where	Employing	Having
		Latrines		Water borne		Dry type		water taps	latrines were properly screened	Women	separate arrangements for women
		Urinals		Sewers		Septic tanks		Bore hole	Pan		
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)	(xi)	(xii)
Large factories	82	100.0	78.0	20.7	18.3	3.7	53.7	3.6	64.6	92.7	7.3
Small factories	229	75.1	52.8	18.6	3.5	—	59.3	18.6	18.6	88.9	—
All factories	311	81.7	59.5	19.3	8.2	1.2	57.5	13.8	33.5	90.2	1.9

The following conclusions emerge from the above Statement :—

- (1) A good majority of the units (57.5 %) had provided only dry-type pan latrines.
- (2) It was only in 33.5 per cent. of the units that water taps were provided near latrines.
- (3) Proper screening arrangements existed in 88.9 per cent. of the factories in the industry as a whole.

The proportion of factories providing urinals was found to be lower in both large as well as small-size factories. It is estimated that nearly 47 per cent. of small and 22 per cent. of large factories had no urinals at all for the use of their workers. In some of the units where no urinals had been provided, workers were found using latrines for the purpose.

The following statement gives the details of the various types of leave with pay being granted to workers in the industry:—

STATEMENT 4.5

Percentage of Agricultural Implements Factories Granting Various Types of Leave and Holidays With Pay

Size	Number of factories	Estimated percentage of factories granting				
		Earned Leave (i.e., Annual Leave)	Sick Leave	Casual Leave	Festival and National Holidays	Weekly Off
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)
Large factories .	82	92.7	7.3	35.4	92.7	85.4
Small factories .	229	55.5	10.9	28.0	89.1	75.1
All factories . .	311	65.3	10.0	29.9	90.0	77.8

4.10.1. *Earned Leave*—Under the Factories Act, 1948, employers are required to grant annual leave with wages to the workers under certain conditions. The findings of the Survey reveal that in only 65.3 per cent. of the Agricultural Implements factories, workers were enjoying the benefit of the law.

Such a low percentage of factories complying with the provisions of the Factories Act in regard to grant of earned leave is largely due to a very high proportion of defaulters among smaller establishments. In more than 44 per cent. of small-size factories, there was no system of granting earned leave at all, the corresponding percentage of large factories being only 7. The units (where no earned leave was being allowed) were found to be mostly in Punjab and U.P.

The primary object of paid annual vacation was to provide opportunity to workers to have certain periods for rest and recuperation. But it was found that in some of the centres, this purpose was being defeated by making payments to workers *in lieu* of leave due to them. Such a practice was widely prevalent in many of the factories in Punjab. It is estimated that in the country as a whole, the practice was prevalent in 28.3 per cent. of the Agricultural Implements factories.

The period of earned leave, wherever granted, was generally in accordance with the provisions of the Factories Act, 1948; but in a few cases, monthly rated clerical and other supervisory staff enjoyed earned leave upto 33 days per annum with normal pay.

With a view to obtaining a picture of the extent to which workers were actually enjoying the benefits of annual leave, statistics were collected about the number of workers who availed of earned leave during 1959. The following Statement gives the estimated average daily number of workers employed in the Agricultural Implements factories, the number of workers who enjoyed leave and their distribution according to the number of days availed:—

It will be seen that 63.7 per cent. of workers employed in the industry enjoyed earned leave during the year 1959. The low overall percentage is largely due to very low percentage of workers getting the benefit in small factories. The proportion of workers enjoying leave was fairly high (75.4 per cent.) in large factories, but was considerably low (30.3 per cent.) in small factories.

As mentioned earlier, most of the Agricultural Implements factories are small establishments, and these account for 32 per cent. of the total workers in the industry. Nearly 44 per cent. of these establishments were not following the provisions of the Factories Act and thus none of their employees was getting earned leave. Some of them argued that the question of granting leave did not arise at all as their employees stayed with them for so short a period that they never completed the qualifying period of service. Other factories which were granting leave attributed the low percentage of their employees enjoying leave to high rate of labour turnover.

4.10.2. *Sick Leave*—In areas where the Employees' State Insurance Act has been implemented, workers who fulfill the qualifying conditions were entitled to sick leave and cash benefits as prescribed in the Act. At the time of the Survey, the Employees' State Insurance Act was in force in a good number of centres in the country. No statistics pertaining to the number of days of sick leave granted, etc., to the workers covered by the Insurance Scheme were available. Details were, however, collected with regard to the prevailing system of granting sick leave in those sampled units which were not covered by the Employees' State Insurance Scheme.

It was found that, in addition to the units covered under the Employees' State Insurance Scheme, about 10 per cent. of the Agricultural Implements factories had a system of granting sick leave. The proportion was slightly high (11 per cent.) in the case of small size factories as compared to larger ones (7 per cent.). This is probably due to the fact that most of the large factories were located in areas where the Employees' State Insurance Scheme was in force. In none of these factories, there was any regular scheme or system of granting such leave. It was being granted only at the discretion of the management.

The categories of workers who were enjoying sick leave, number of days allowed, rate at which payment was made, etc., varied from unit to unit. In most of the establishments, only monthly rated staff, i.e., clerical, professional and technical were enjoying the benefit; but, in a few of them permanent production workers were also being granted sick leave.

The results of the Survey reveal that in 52 per cent. of the units granting sick leave, the duration of leave allowed was upto 15 days in a year. Twenty nine per cent. allowed more than 15 days and in the rest the period was not fixed. In all the establishments where sick leave was granted, workers were entitled to full pay for the period of leave.

The conditions attached to the grant of sick leave also varied as between the different units; but, generally, production of a medical certificate was insisted upon before leave was granted. In a few factories workers could get leave only after completing one year's service and in some, the benefit was restricted to permanent workers.

4.10.3. *Casual Leave*—The system of granting casual leave was prevalent in 29.9 per cent. of the Agricultural Implements factories. As in the

case of sick leave, the benefit of casual leave in these factories was, generally, restricted to only certain categories of employees like the clerical, professional and technical and other supervisory workers, but, in a few factories permanent production workers were also entitled to it.

The Survey indicates that of the units which were granting casual leave, in 62.4 per cent. the number of days allowed in a year was upto 15 days; 9.7 per cent. allowed more than 15 days and in the remaining, i.e., (27.9 per cent.), there was no fixed period at all. Everywhere normal pay was paid for such leave days.

4.10.4. *National and Festival Holidays*—The system of granting national and/or festival holidays with pay was found to be wide-spread throughout the country. It is estimated that 90 per cent. of the Agricultural Implements factories had the system of granting such leave. However, there was no uniformity in regard to the number of days allowed. The general practice was to grant upto 10 holidays in a year. Of the factories granting such holidays, 52 per cent. allowed upto 5 days; 34 per cent. allowed 6 to 10 days; 10 per cent. more than 10 days and the rest had no fixed system.

Generally, all categories of workers were allowed these holidays although in a few units, monthly-rated staff enjoyed more number of days as compared to other daily rated workers. The qualifying condition for the grant of the national and festival holidays with pay was that the worker must be present on the working day prior to the holiday and/or the working day succeeding the holiday. In certain cases, no conditions were prescribed and all workers who were on roll were allowed the benefit.

4.10.5. *Weekly-Off*—All the factories throughout the country were found to be complying with the provisions of the law in regard to grant of weekly-off to their employees. As regards the payment for such 'weekly-offs', it was generally restricted to monthly-rated staff who had fixed pay for the month as a whole and not for the working days only. The categories of workers who generally enjoyed the above benefit were professional and technical personnel, clerical and related workers and monthly-rated production workers. Workers who were daily-rated whether permanent, temporary or casual did not get such benefits.

CHAPTER V

WELFARE AND AMENITIES

Welfare activities undertaken by employers and various amenities provided to workers fall under two distinct categories, viz., (a) Obligatory, i.e., those prescribed under the Factories Act, 1948 and (b) Voluntary, i.e., those which are not statutory, but are being provided by employers as a moral obligation or in a spirit of benevolence. Details collected during the Survey relating to both the types of facilities are discussed in the following paragraphs:—

5.1. *Obligatory*

5.1.1. *Drinking Water Facilities*—All the Agricultural Implements factories, large as well as small, surveyed in the country had provided drinking water facilities to their employees. There was, however, considerable diversity in the type of arrangements made as will be evident from Statement 5.1.

In both small as well as large factories, the predominant facility for drinking water was in the form of tube wells, or wells and taps. Only 3.7 per cent. of the large factories had installed mechanical coolers. Nearly 59 per cent. of the factories in the country reported that they made some arrangements for the supply of cool drinking water during summer months. Of these, except in a few units where these had mechanical coolers, in almost all the factories, the only predominant arrangement for the supply of cool water was earthen pitchers.

5.1.2. *Washing and Bathing Facilities*—The Survey results reveal that in the country as a whole, washing facilities existed only in 66.2 per cent. of the factories. The position was quite satisfactory in large establishments as over 96 per cent. of them had provided washing facilities. The corresponding percentage of such factories was only 55.5 among smaller establishments. The Statement 5.2 gives details regarding the types of facilities which were found to be existing.

Bathing facilities were available only in 22.2 per cent. of the Agricultural Implements factories in the country as a whole. There was practically no difference as between the large and small factories in this respect. Wherever such facilities existed, these were generally satisfactory.

5.1.3. *Canteens*—Under the Factories Act, 1948, it is not obligatory for every factory to provide canteens. Such an obligation is imposed only on those establishments which usually employ more than 250 workers. Since, as mentioned earlier, most of the Agricultural Implements factories are small establishments employing less than 30 workers, it is estimated that only about 3 per cent. of the establishments in the industry were under obligation to provide canteens and these had complied with the law. In addition to these, nearly 6 per cent. of the factories which were not legally

STATEMENT 5.1.

Distribution of Agricultural Implements Factories According to the Types of Drinking Water Facilities Provided (1960-61)

Size	Number of factories	Estimated percentage of factories providing drinking water facilities	Estimated percentage of factories where water was supplied through						Estimated percentage of factories having arrangement for cool water in summer
			Mechanical coolers	Earthen pitchers only	Earthen pitchers, buckets, drums, etc.	Tube wells or wells	Only taps	No specific arrangement	
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Large factories . .	82	100.0	3.7	18.3	24.4	31.7	21.9	—	53.7
Small factories . .	229	100.0	—	16.6	24.9	33.6	24.9	—	61.1
All factories . .	311	100.0	1.0	17.0	24.8	33.1	24.1	—	59.2

STATEMENT 5.2.
Distribution of Agricultural Implements Factories According to the Types of Washing Facilities (1960-61)

Size	Number of factories	Percentage of factories providing washing facilities	Estimated percentage distribution of units providing					Percentage of units supplying materials for cleaning	Estimated percentage of factories to col. (ix) supplying	
			Troughs with taps or jets	Wash basins with taps	Taps on stand pipes	Water stored in receptacles	Other methods i.e., tube wells, etc.		Soap only	Soap and other materials
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)	(xi)
Large factories .	82	96.3	11.4	11.4	44.3	21.5	11.4	75.6	90.3	9.7
Small factories .	229	55.5	4.7	4.7	35.5	19.7	35.4	61.1	72.9	27.1
All factories .	311	66.2	7.3	7.3	38.8	20.4	26.2	65.0	78.2	21.8

required to provide canteens had also done so. Details are given in the following Statement:—

STATEMENT 5.3.

Estimated Proportion of Agricultural Implements Factories Having Canteens (1960-61)

Size	Number of factories	Percentage of factories employing more than 250 workers	Percentage of factories out of those in column (iii) having canteens	Percentage of factories employing 250 or less workers but having canteens	Percentage of factories providing canteens (under obligation or not)
(i)	(ii)	(iii)	(iv)	(v)	(vi)
Large factories .	82	11.0	100.0	7.3	18.3
Small factories .	229	—	—	5.7	5.7
All factories .	311	2.9	100.0	6.1	9.0

In the country as a whole, only 32 per cent. of the canteens were being run directly by the managements. The rest were run by contractors. The position was more or less the same in regard to canteens in the large and small factories, the corresponding percentages of canteens run departmentally being 20 and 46 respectively.

Usually, canteens supplied only tea, coffee and snacks. It was estimated that in only 32 per cent. meals were also served. The general practice was to charge the market price for the items sold and such a system was found to be in vogue in 57 per cent. of the canteens. In about 32 per cent. of the canteens, articles were sold at subsidised rates and in the rest items were sold on a 'no profit no loss' basis.

Of the factories having canteens, only 54 per cent. had canteen managing committees having representation of workers. These committees not only supervised the working of the canteens, but fixed the sale price of items also. In the rest, every thing was left to the contractors running the canteens. The location of the canteens and hygienic conditions therein were generally found to be satisfactory. More than half of the canteens had drinking water within their own precincts.

5.1.4. *Rest Shelters*—Provision of 'Rest Shelter' is obligatory for those factories alone which ordinarily employ more than 150 workers and do not have canteens. The percentage of such Agricultural Implements factories in the country was roughly 3. Only one-third of these factories had provided rest shelters. In the remaining units, such places as *verandahs* or tree shades within the factory compound were being utilised by workers for taking rest, taking their lunch, etc. The defaulting employers, generally, contended that since workers were allowed to take their meals wherever they liked, no separate arrangement was considered by them to be necessary.

5.1.5. *Creche*—Since all the establishments surveyed, employed an insignificant number of women workers, the question of providing creche facilities did not arise.

5.1.6. *Medical Facilities*—Under the Factories Act, it is obligatory for all factories to maintain first-aid boxes at a prescribed scale containing the specified contents. Almost all the factories were found to have maintained such boxes. The percentage of defaulters is estimated to be only about 7. The percentage of factories maintaining such boxes in large and small factories were 96 and 92 respectively. The reason for not maintaining the first-aid boxes in the concerned large factories was that all the first-aid facilities were available in the Ambulance Rooms.

The law requires that such first-aid boxes must be under the charge of trained first-aiders but the Survey results indicate that it was in only 32 per cent. of the factories (having first-aid boxes) all such boxes were under the charge of trained first-aiders while in one per cent. of such units, some of the boxes alone were under the charge of trained first-aiders. In the rest, i.e., 67 per cent. of the factories, there were no trained first-aiders at all. As regards the contents of the first-aid boxes, it was found that the position was unsatisfactory as in 73 per cent. of the Agricultural Implements factories, the contents were incomplete.

Those establishments which employ more than 500 workers are further required by the Factories Act to maintain ambulance rooms. The Survey results indicate that all such establishments had met their obligation in this regard.

Besides the above arrangements, the managements of factories are not under any statutory obligation to provide any other medical facility; but it was noticed that a few units (4 per cent.) maintained dispensaries for giving medical facilities to their employees. Nearly 25 per cent. of these factories had appointed part-time doctors. In the rest, the dispensaries were under the charge of other staff such as compounder, nurse, etc.

The usual practice among the small establishments was to enter into a contract with local medical practitioners for rendering medical aid to their employees. Such a system existed in 28 per cent. of the small establishments.

It was observed that in most of the units where the system of employment of contract labour was in vogue, the medical facilities extended to other workers were not made available to the contract labour. Of the factories employing contract labour and providing medical facilities, only half of the large-size establishments and roughly one out of every four small establishments extended the benefit to workers employed through contractors. Thus, in the country as a whole, in only about 32 per cent. of such factories, the benefits were available to contract labour.

5.1.7. *Lockers*—In the country as a whole, 4.8 per cent. of the Agricultural Implements factories provided lockers for the use of their workers. The proportion of such factories was higher in the case of larger establishments (11 per cent.) than among smaller ones (3 per cent.).

5.2. *Non-Obligatory*

5.2.1. *Recreation Facilities*—Very few Agricultural Implements factories in the country seem to have realised the importance of the recreational facilities for their employees. Only in about 5 per cent. of the units, arrangements had been made for in-door and/or out-door games and most of these factories also arranged certain cultural programmes, generally, on such occasions as *Ayudha Puja*, Republic Day, Independence day, etc.

Some of the factories (14 per cent.) were found to be arranging programmes on festival occasions.

In roughly 75 per cent. of the factories where such facilities existed, the cost of the above activities was being met entirely by the managements, in 15 per cent. jointly by the managements and workers, in 5 per cent. entirely by workers and in the remaining 5 per cent. entirely from the welfare fund of the factories. There was no welfare fund in the small factories. In nearly 84 per cent. of these units, the activities were financed entirely by the managements and in the rest (16 per cent.) jointly by managements and workers. As regards the large factories, the position was as follows: in 57 per cent. of the cases entirely by managements, and in the rest of the cases (43 per cent.) was equally met (1) jointly by managements and workers, (2) entirely by workers and (3) entirely from the welfare fund.

5.3. *Educational Facilities*

Even though provision of educational facilities is not a statutory obligation on managements, nearly 3 per cent. of the Agricultural Implements factories in the country were running schools for the benefit of children of their employees. In one case, education upto degree standard was provided in the institution run by the management. No fee was charged in these institutions and occasionally books were supplied free to very poor and bright students.

5.4. *Other Facilities*

5.4.1. *Grain Shops*—Arrangements for the sale of food grains existed only in one per cent. of the Agricultural Implements factories which, invariably, were found to be large establishments. The food grains in these factories were sold at the market rates only.

5.4.2. *Co-operative Societies*—The findings of the Survey reveal that in nearly one per cent. of the factories, there were credit co-operative societies while another 2 per cent. had only co-operative stores. Financial aid from the management was reported to be available for the co-operative credit society only. All these co-operative societies were found to be existing only in large units.

The function of credit societies was to inculcate thrift and to give advance to needy members. Co-operative stores, usually, sold food grains, cloth and other items to their members on cash as well as credit. The extent of credit varied from unit to unit. In some units, it ranged from 50 per cent. of the basic wages to 70 per cent. of the total earnings of workers; in others, a certain percentage of the share value was adopted as a criterion for deciding the extent of credit to the individuals. No other co-operative society such as housing society was reported to be existing in this industry.

None of the establishments had provided any transport facility to their workers for going to their work places from their residence and back. However, in one of the small establishments, transport allowance was being paid to the employees.

5.5. *Housing*

It is estimated that in the country as a whole, 28 per cent. of the Agricultural Implements factories had provided housing accommodation to their employees. Details regarding the houses provided, extent of accommodation, rent charged, etc., are given in the following Statement.

STATEMENT 5.4.
Proportion of Agricultural Implements Factories Providing Housing Accommodation to Their Employees, Extent of Accommodation, Rent Charged, etc., in 1960-61

Size	Number of factories	Percentage of factories providing houses	Estimated number of houses provided	Estimated percentage of houses with			Estimated percentage of factories which charged		
				One room	Two rooms	Three or more rooms	Rent from all	Rent from none	Rent only from some employees
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Large factories	82	28.0	331	62.9	18.7	18.4	39.1	47.8	13.1
Small factories	229	28.0	216	88.4	11.6	—	10.9	89.1	—
All factories	311	28.0	547	72.9	15.9	11.2	18.4	78.2	3.4

NOTE :—Rooms mentioned in columns (v) to (vii) relate to living rooms and do not take into account kitchen, bathroom, etc.

It will be seen that the percentage of factories providing housing facilities was the same in both the large as well as small factories. Mere percentage of factories providing houses does not give a complete picture unless a study is made of the extent of the provision of accommodation to workers. Data collected during the course of the Survey reveal that in the country as a whole, only 3 per cent. of workers employed in the industry were allotted residential accommodation by the employers.

It was noticed during the course of the Survey that categories of workers to whom the managements allotted houses varied as between the different units. Taking into account only the factories which provided housing accommodation to their workers, it was found that nearly 25 per cent. of the factories provided houses only to the production workers. Details regarding the percentage of units providing housing accommodation to the different categories of employees are given in Statement 5.5.

STATEMENT 5.5.

Percentage of Factories Providing Housing Accommodation to Different Categories of Workers in 1960-61

Size	Estimated number of workers as on 31st December 1959*	Estimated percentage of workers allotted housing accommodation	Estimated percentage of factories providing houses	Estimated percentage of factories where houses were allotted to			
				Only some production workers	Only Watch and Ward	Only supervisory, technical staff	Only some employees of various categories
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)
Large factories	11,241	2.6	28.0	13.0	13.0	13.1	60.9
Small factories	5,156	4.4	28.0	29.7	20.3	—	50.0
All factories	16,397	3.1	28.0	25.3	18.4	3.4	52.9

* Relates to persons covered under the Factories Act.

5.5.1. *Rent*—The results of the Survey reveal that in the country as a whole, 78.2 per cent. of the Agricultural Implements factories which had provided housing accommodation did not charge any rent at all from their employees. The percentage of units charging no rent at all was quite high (89.1 per cent.) in case of small units while it was only 47.8 among the concerned large units.

The amount of rent charged for the houses provided by the managements, naturally, varied from unit to unit depending upon the nature of the accommodation provided. In only a few cases, it was charged as a percentage of basic pay of the employees. But, the usual practice was to charge rent at a flat rate which varied from Rs. 2.50 to Rs. 10.00 per month.

CHAPTER VI

SOCIAL SECURITY

When the Labour Investigation Committee conducted the Survey in 1944-45, workers employed in the Agricultural Implements Industry, like other industrial employees in the country, had security only against accidents by virtue of the provisions of the Workmen's Compensation Act, 1923. There were, in addition State laws regarding maternity benefits for women workers, but the employment of women in this industry is so negligible that maternity benefit, as a measure of social security, has no significance as far as the workers employed in this industry are concerned. With the enactment of Employees' State Insurance Act, 1948 and the Employees' Provident Fund Act, 1952, the workers in the industry enjoy a fair measure of social security.

6.1. *Provident Fund*

The Provident Fund scheme was introduced in the Agricultural Implements Industry as a part of the General Engineering Industry which happened to be one of the 6 industries selected for the introduction of the scheme at the first stage itself, i.e., in November 1951.

It is estimated that during the period of the Survey, i.e., 1960-61, nearly 33 per cent. of the Agricultural Implements factories in the country had provident fund schemes. The data collected during the Survey reveal that the provident fund was introduced in most of the units after the promulgation of the Employees' Provident Fund Ordinance. The following Statement gives details of the proportion of units having provident fund scheme, etc.:—

STATEMENT 6.1

Proportion of Factories Having Provident Fund in Agricultural Implements Industry During 1960-61

Size	Number of factories	Estimated Percentage of units having		
		Employees' Provident Fund Scheme	Other Provident Fund Schemes	No Scheme at all
(i)	(ii)	(iii)	(iv)	(v)
Large factories	82	78.1	7.3	14.6
Small factories	229	8.3	5.7	86.0
All factories	311	26.7	6.1	67.2

It will be seen that 67 per cent. of the Agricultural Implements factories did not have any provident fund scheme at all, primarily because these were not under statutory obligation. The Employees' Provident Fund Act,

as in force at the time of the Survey, applied to factories having 50 or more workers but with effect from 31st December, 1960, it applied to factories employing 20 or more workers. Since the majority of the Agricultural Implements factories had employment of less than 30 workers, it is not surprising that nearly two-third of the factories were not covered by the provisions of the Employees' Provident Fund Act. As regards the category of workers covered, conditions for membership, etc., are concerned, they were more or less the same as prescribed under the Employees' Provident Fund Scheme. It is estimated that nearly 37 per cent. of the workers employed in the industry in December, 1959 were members of provident fund scheme. The proportion of workers enjoying the provident fund facilities was very low viz., 6.6 per cent. in the small factories as against 50.9 per cent. in the large factories. The chief reason contributing to the very low percentage of workers covered under the provident fund scheme in the small factories seems to be the fact that most of the factories were small, not employing the required number to come within the purview of the Employees' Provident Fund Act, 1952.

6.2. Pension

With the exception of a few Government-owned factories in U.P. and Andhra Pradesh, no factory was found to be having any regular or *ad-hoc* scheme for paying pension to their employees.

6.3. Gratuity

The results of the Survey reveal that the system of payment of gratuity was found to be in vogue in 7 per cent. of the Agricultural Implements factories in the country as a whole. Only half of these had regular schemes with definite rules. In the rest, only *ad-hoc* payments were made at the discretion of the managements. The following Statement gives details of the percentage of factories having gratuity schemes, etc.: —

STATEMENT 6.2.

Proportion of Agricultural Implements Factories Having Gratuity Scheme in 1960-61

Size	Number of factories	Estimated percentage of factories				
		Having Gratuity Schemes	Where gratuity was being paid in the case of			
			Death	Retirement	Resignation	Termination of Service
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)
Large factories	82	11.0	100.0	66.7	—	—
Small factories	229	5.7	100.0	100.0	46.2	46.2
All factories	311	7.1	100.0	86.4	27.3	27.3

NOTE—Figures in columns (iv) to (vii) are percentages to total factories as given in Col. (iii).

Since in half the concerned establishments payment was entirely at the discretion of the management and there were no set rules, the benefit

was restricted in scope. In the factories having regular schemes, those employees whose employment was of temporary or casual nature or who were apprentices, were not covered. In a few cases, daily rated workers were also excluded.

The conditions attached for the eligibility to the payment of gratuity, were, usually, the completion of certain number of years which varied as between the different factories; but, generally, it ranged from 2 to 7 years. The rate of payment also varied from unit to unit and in many cases, it was entirely at the discretion of the employers. In some units where there were regular schemes, the rate varied from 15 days' to one month's basic wages depending upon the number of years of completed service. The number of cases where the gratuity was paid during the Survey period was, however, very insignificant.

6.4. Health Insurance Scheme

In areas where the Employees' State Insurance Act was in force, workers employed in the Agricultural Implements Industry, like other industrial workers in the country, were enjoying the cash as well as medical benefits in cases of sickness, maternity or industrial accidents. Since the benefits are available to the industrial workers in specified areas, no separate statistics indicating the extent of benefit enjoyed by workers employed in the Agricultural Implements factories are available. In the following paragraph general information is given regarding the position in establishments functioning in non-implemented areas.

6.5. Maternity Benefit

Only an insignificant number of Agricultural Implements factories were reported to be employing woman. In fact, the Survey results reveal that during the year 1959, not a single case for payment of maternity was reported.

6.6. Occupational Disease

None of the sampled establishments reported any occupational disease in the industry.

6.7. Workmen's Compensation

As in many of the sampled units the Employees' State Insurance facilities exist, workmen's compensation was payable to workers by the E.S.I Corporation and as such, full details regarding the number and nature of accidents were not available in all the units.

CHAPTER VII

INDUSTRIAL RELATIONS

7.1. *Industrial Disputes*

Data pertaining to industrial disputes i.e., their number and the consequent loss of man-days are available for the Engineering Industry as a whole and not separately for the Agricultural Implements Industry which forms a part of it. Consequently, it is not possible to make any comments on the state of industrial relations. However, information was collected on various subjects connected with industrial relations and these are discussed in the following paragraphs:

7.2. *Trade Unionism*

Information collected during the course of the Survey indicate that Trade Unions were existing in roughly 49 per cent. of the Agricultural Implements factories in the country. As is usually the case, the proportion of factories where workers were organized into unions was much higher in large factories (76 per cent.) than in small ones (39 per cent.). The following Statement gives details regarding the Trade Unions, their membership, etc.:—

STATEMENT 7.1.

Percentage of Factories Where Workers Were Members of Trade Unions etc.

Size	Number of factories	Percentage of factories where workers were members of Trade Unions	Estimated total. No. of workers employed in the industry as on 31-12-59*	Estimated percentage of workers who were members of Trade Unions as on 31-12-59	Percentage of factories having and recognising Trade Unions
(i)	(ii)	(iii)	(iv)	(v)	(vi)
Large factories . . .	82	75.6	1,12,41	55.1	37.1
Small factories . . .	229	38.9	5,156	18.0	6.7
All factories . . .	311	48.6	16,397	43.4	19.2

*Relates to persons covered under the Factories Act.

It will be seen that 43 per cent. of the workers employed in the industry were members of trade unions. In the matter of recognition of trade unions, even though in 49 per cent. of the factories there were trade unions, not all of them accorded recognition to the various unions. The percentage of factories from among those which had trade unions according recognition was only 19 in the country as a whole. In the case of large establishments, the position was much better as nearly 37 per cent. of the factories

accorded recognition to their unions. The main reasons generally adduced by the managements for not recognising the unions were as follows:—

- (1) The unions were formed only recently and the managements did not know much about their activities;
- (2) trade unions functioning in the units were not representative as majority of the workers were not members;
- (3) trade unions, instead of promoting harmonious relations, create frictions between the managements and workers;
- (4) the managements did not approve of the activities of the unions; and
- (5) there was no special advantage in recognising the union as the work could be carried on without it.

The trade unions in the industry were found to be mostly engaged in securing claims of the workers under the various Labour Laws. Some of the unions claimed that they were giving financial relief also to the distressed members; but, usually, they had no fixed rules and hence, precise details cannot be given. Exact details are available in respect of only one union. This union was reported to be paying 40 per cent. of the wages to those member-workers who were retrenched. This payment was continued till such time as the cases were settled between the management and the union. The following Statement gives details of the activities of the trade unions apart from securing claims under the various Labour Laws:—

STATEMENT 7.2.

Proportion of Unions According to Other Activities

Size	Estimated percentage of unions providing			
	Adult education	Welfare facilities	Recreation facilities	Relief to distressed members
(i)	(ii)	(iii)	(iv)	(v)
Large factories	—	14·6	3·7	31·7
Small factories	7·6	—	7·6	14·1
All factories	4·0	6·9	5·8	22·4

7.3. *Agreements*

During the course of the Survey, information relating to agreements arrived at between employers and workers since 1956 on important items such as revision of wages, payment of bonus, gratuity and other matters affecting the service conditions of workers, was collected. It is estimated that in the country as a whole, such agreements existed in 9 per cent. of the Agricultural Implements factories. In fact, no small factory reported any such agreements while 35 per cent. of the large factories had collective agreements. Agreements generally related to items such as increase in wages, dearness allowance, holidays with pay, leave, bonus, permanency, etc.

7.4. Standing Orders

Under the Industrial Employment (Standing Orders) Act, 1946, framing of standing orders is obligatory for only those establishments which employ 100 or more workers; but, power has been conferred upon State Governments to extend the provision to establishments employing lesser number of workers. In some of the State Acts, e.g., The Bombay Industrial Relations Act, standing orders are required to be framed by all the factories covered by the Act. The results of the Survey indicate that 16 per cent. of the Agricultural Implements factories in the country as a whole had framed standing orders. Details are given in the following Statement:—

STATEMENT 7.3.

Standing Orders in the Agricultural Implements Factories, 1960-61

Size	Number of factories	Estimated percentage of factories*				
		Having standing orders	Where standing orders had been framed			
			Only for production workers	Only for clerical staff	Only for watch & ward	All combined
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)
Large factories	82	53.7	13.6	—	—	86.4
Small factories	229	2.6	—	—	—	100.0
All factories	311	16.1	12.0	—	—	88.0

*Percentages are in relation to number of factories having standing orders.

The low percentage of factories having standing orders is obviously due to the predominance of small-size establishments. Of the factories which had framed standing orders, in 88 per cent. these were common standing orders; in the rest, the standing orders covered only production workers. Almost all the units had certified standing orders.

7.5. Labour and Welfare Officer

The appointment of Labour and Welfare Officer has been made a statutory obligation for factories employing over 500 workers. The Agricultural Implements Industry, being a small industry, does not have many factories which employ more than 500 workers. It is, therefore, not surprising if the Survey results indicate that in all, there were only 2 per cent. of the factories in the industry as a whole which were under a statutory obligation to have Labour/Welfare Officer. All of them had Labour/Welfare Officers and these were invariably large factories. Usually, the Labour/Welfare Officers stated that their duties were the same as prescribed in the rules framed by the State Governments under the Factories Act. However, the main functions of these officers were found to be to attend to matters such as grievances of workers and advising the managements in regard to matters connected with the compliance with the provisions of the various Labour Laws

7.6. *Works and Joint Committees*

Under the Industrial Disputes Act, 1947, it is necessary for all establishments employing 100 or more workers to form works or joint committees. Data collected during the course of the Survey show that even though 10.3 per cent. of the factories were employing 100 or more workers in the country as a whole, only 6.8 per cent. had works committees. A few factories which did not employ 100 or more workers at the time of the Survey, were also found to be having works committees. If these are also taken into account the percentage of factories having such committees was 7.4.

The main reasons given by the managements which employed 100 or more workers, but did not constitute Works or Joint Committees were, generally, as follows:—

- (1) The factory has been established only recently and as such, no committee was constituted;
- (2) Workers have not pressed for such a Committee;
- (3) No directive has been received from the State authorities; and
- (4) Managements negotiate directly with the workers and hence, the constitution of the Committee was not felt necessary.

Trade Unions, in a few cases, stated that the managements were not forthcoming to form Works or Joint Committees. In almost all the factories where Works or Joint Committees existed, equal number of representatives (ranging from 3 to 6) of employers and workers were members of the Committees. A study of the records of the factories having Works or Joint Committees showed that 26 per cent. had held 6 to 9 meetings, an equal number 3 to 6 meetings and 13 per cent. 12 meetings (i.e., at the rate of one each month) during the year 1959. In the remaining no records relating to items discussed were available.

Items discussed, naturally, varied from unit to unit, but, broadly speaking, these related to fixation of work, loads, recreation and welfare facilities, grievance procedure, introduction of piece-rate systems, etc. As regards implementation of the decision of the Works or Joint Committees, these were, generally implemented by the managements although in a few cases, some delay was reported. In most of the establishments, where Works or Joint Committees had been constituted, these were found to be functioning satisfactorily. In only 37.5 per cent. of the concerned units, however, these were reported to be not functioning properly. Conflicting reasons were given by the managements and Trade Unions and both accused one another of taking no interest at all in the work of the Committee. A similar reason was given by the two parties in the units where such Committees had not been constituted at all.

7.7. *Other Committees*

Besides Works or Joint Committees there were hardly any other Committees for the promotion of safety, production, welfare, etc., in evidence in the industry. From the data collected during the Survey, it is estimated that in the country as a whole, 1 per cent. of the Agricultural Implements factories had Production Committees; 2 per cent. had safety Committees and 1 per cent. had General Committees. All these concerned factories were large establishments. The functions of the Production and Safety

Committees related to maintaining production and attend to matters relating to safety of the workers respectively while the General Committees were reported to be attending to matters connected with the grievances of workers, their difficulties and promotion of welfare measures, etc.

7.8. Grievance Procedure

Except in the units where standing orders were framed, there was no definite procedure for the redressal of the grievances of the workers. In actual practice, the grievances were initially attended to by section-in-charges. If not settled at their level, the matter was referred to the manager or the proprietor, as the case may be. In most cases, the decisions of the managers or proprietors were always final.

In factories where there were no standing orders, the most common procedure was that the workers took their oral complaints directly to the managers or proprietors who decided the cases on the spot. No appeal lay over the decisions of the proprietors or managers at the unit level. Even in units where there were standing orders, no definite procedure as to the time-limit within which the complaints have to be decided at various levels, time for appeal, etc., was found to be followed.

CHAPTER VIII

LABOUR COST

Information pertaining to labour cost was collected during the course of the Survey, in respect of the employees covered under the Factories Act, and receiving less than Rs. 400 p.m.¹ as wages. The enquiry pertaining to labour cost was modelled on the lines of the study of labour costs in the European Industry, made by the International Labour Office in 1956, with such modifications as were considered necessary in the light of conditions in India. For instance, in view of the fact that in India, wages are paid on the basis of 'days' instead of 'hours' as in European countries, the data were collected for the man-days and not man-hours. Similarly, it was found in the course of the pilot enquiry that most of the factories did not maintain any separate records of premium payments made for leave or holidays or payments for days not worked and, hence, these were dropped as separate items and included under 'basic wages'. Certain additions were made in the list either on the basis of the decisions of the Study Group referred to above or with a view to eliciting separate information on some of the items on which employers have to incur expenses under labour laws in force in the country e.g., lay-off, retrenchment, etc.

The Survey was launched late in December 1959 and ended in June 1961. In order to ensure uniformity and maintain comparability of the data, the field staff were asked to collect information as far as possible for the year 1959. However, in view of the fact that financial years of the establishments do not coincide with calendar year and also differ from unit to unit and area to area, it was considered desirable and more rational that, wherever records were not maintained for the calendar year or it was found difficult to cull out the information for the period, the field staff should collect data for the latest period of 12 months for which information was available subject to the condition that data so collected should, as far as practicable cover a major part of the year 1959. The data available show that by and large, it was possible to collect information for the year 1959.

It may be mentioned here that with a view to forming a better estimate of labour cost, salaries and allowances, etc., of those persons who were employed in connection with any welfare item, amenities, etc., even though they were covered under the Factories Act and were receiving less than Rs. 400 per month, were not included in the general head "Wages". Similarly the man-days of such persons were also excluded. Expenses incurred in connection with such persons were recorded against the item for which they were employed.

8.1. *Labour Cost Per Man-day Worked*

The estimated labour cost per man-day worked in the country as a whole works out to Rs. 3.93 in the Agricultural Implements factories

¹. This was in pursuance of the decision taken by the Study Group on 'Wage Cost' appointed by the Ministry of Labour and Employment in 1959.

uring the year 1959. The following Statement gives the details:—

STATEMENT 8.1
Labour Cost Per Man-day Worked in Agricultural Implements Factories in 1959

Size	(In Rupees)		
	Estimated number of man-days worked ('000)	Labour Cost per man-day worked	
(i)	(ii)	(iii)	
Large factories	2,802	3.99	
Small factories	1,082	3.76	
All factories	3,884	3.93	

8.2. Components of Labour Cost

A break-up of the labour cost per man-day worked according to components is given in Statement 8.2.

STATEMENT 8.2

Estimated Labour Cost Per Man-day Worked by Their Components, 1959

Size	(In Rupees)											Any other	Total
	Wages	Premium for over-time and late shifts	Bonuses	Other cash payments	Payments in kind	Social security contributions		Subsidies	Welfare centres (Non-obligatory)	Direct benefits	Other Payments related to labour cost		
(i)	(ii)	(iii)	(iv)	(v)	(vi)	Obligatory	Non-obligatory	(ix)	(x)	(xi)	(xii)	(xiii)	(xiv)
Large factories	3.24 (81.2)	0.03 (0.7)	0.23 (5.8)	*	0.01 (0.2)	0.19 (4.8)	*	0.04 (1.0)	—	—	0.25 (6.3)	*	3.99 (100.0)
Small factories	3.48 (92.5)	*	0.08 (2.1)	0.03 (0.8)	*	0.04 (1.1)	0.02 (0.5)	0.10 (2.7)	—	*	0.01 (0.3)	*	3.76 (100.0)
All factories	3.31 (84.2)	0.02 (0.5)	0.19 (4.8)	0.01 (0.3)	0.01 (0.3)	0.15 (3.8)	0.01 (0.2)	0.05 (1.3)	—	*	0.18 (4.6)	*	3.93 (100.0)

NOTE:—Figures in brackets are percentages to total in column (xiv).

*Indicates that the expenses were less than Re. 0.005.

Wages—This component comprised basic wages, dearness allowance, incentive and production bonus and attendance bonus. Since most of the establishments did not maintain separate records of payments made for days worked and for leave and holiday periods, the amount of 'wages' included sums paid for the days worked as well as for the days not worked, but paid.

It will be seen from Statement 8.2 that 'wages' accounted for 84.2 per cent. of the total labour cost per man-day. Its proportion was higher (92 per cent.) in small factories than in larger ones (81 per cent.). The following Statement gives the break-up of wages-cost by sub-components:—

STATEMENT 8.3
Break-up of Wage Cost Per Man-day by Sub-Components

(In Rupees)

Size	Basic Wages and Dearness Allowance	Incentive Bonus	Attendance Bonus	Total
(i)	(ii)	(iii)	(iv)	(v)
Large factories	3.20 (98.8)	0.03 (0.9)	0.01 (0.3)	3.24 (100.0)
Small factories	3.48 (100.0)	—	—	3.48 (100.0)
All factories	3.28 (99.1)	0.02 (0.6)	0.01 (0.3)	3.31 (100.0)

It is evident from the figures given above that under the group 'Wages' Basic Wage and Dearness Allowance alone accounted for 99 per cent. of the total while the other items such as Incentive/Production Bonus and Attendance Bonus together accounted for only about one per cent. of the total 'Wages'.

8.3. *Premium Pay for Overtime and Late Shifts*

Under this group, only premium part of the payments made for overtime or late-shift workings were recorded. That is, if workers were paid one and a half times their normal rates of wages for working late hours, only extra amount paid to them, i.e., one half in this case was recorded. From the figures given in Statement 8.2, it will be seen that the cost under this item accounts for only 0.5 per cent. of the total labour cost per man-day.

8.4. *Bonuses*

Next to Wages, Bonuses constituted an important element of the labour cost in the industry. The items included under this group are festival bonus, year-end bonus, profit sharing and similar other bonuses paid to the employees. This group, as will be seen from Statement 8.2, accounted for 4.8 per cent. of the total labour cost per man-day worked. Break-up of the bonuses into items indicates that out of Re. 0.19 which was the cost per man-day against this group, year-end bonus alone accounted for Re. 0.18 or 94.7 per cent. and the remainder Re. 0.01 (5.3 per cent.) related to festival bonus.

STATEMENT 8.4

Estimated Cost of Social Security Contributions Per Man-day Worked

(In Rupees)

Size	Obligatory											Percentage of Social Security Contributions to the total labour cost.
	Provi- dent Fund	Retrench- ment Compen- sation	Lay-Off	Employ- ees' State Insurance Contri- butions	Employ- ment Injury Diseases	Occupa- tional benefit allow- ance	Mater- nity allow- ance	Others	Total	Non- obliga- tory	Total of obligatory and non- obligatory	
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)	(xi)	(xii)	(xiii)
Large factories	0.15 (79.0)	*	*	0.04 (21.0)	*	*	—	—	—	0.19 (100.0)	—	0.19
Small factories	0.02 (50.0)	*	—	0.02 (50.0)	*	—	—	—	—	0.04 (100.0)	0.02	0.06
All factories	0.11 (73.3)	*	*	0.04 (26.7)	*	*	—	—	—	0.15 (100.0)	0.01	0.16

NOTE :—Figures in brackets are percentages to total in column (xi).
*Indicates that the expenses were less than Re. 0.005.

8.5. *Other Cash Payments*

This group accounted for Re. 0.01 or 0.3 per cent. of the total cost per man-day. The main items (to which the expenses related) were travelling allowance and some *ad-hoc* or *ex-gratia* payments made to workers. In large factories, the cost per man-day on this group was negligible; but, in small factories it accounted for 0.8 per cent.

8.6. *Payments in Kind*

This component accounted for only 0.3 per cent. of the total labour cost per man-day worked. In small factories, no expenses were reported on this item; but in large factories the cost per man-day worked out to 0.2 per cent. of the total cost per man-day. Payments in kind related to tea, Coffee, etc., given to the workers during night shift or for late-shifts, and sweets, lunch, given on festivals, etc.

8.7. *Social Security*

Expenses incurred by the employers on this group worked out to Re. 0.16 and accounted for 4¹ per cent. of the total labour cost per man-day worked. Information in respect of this element of labour cost was collected under two heads: (a) obligatory i.e., those expenses which the employers were required to incur in compliance with certain labour laws and (b) non-obligatory, i.e., those social security contributions which the employers were making on a voluntary basis without any legal compulsion. Statement 8.4 gives the estimated cost of social security contributions under each item for which information was collected:

Among the Social Security Contributions, only two items figured prominently and these are provident fund and Employees' State Insurance contribution, their respective percentages to total labour cost of the group being 73 and 27. In the country as a whole, the expenses on account of Social Security Contributions for the employers of the industry worked out to Re. 0.16 or 4 per cent. of the total labour cost per man-day. In small factories, the percentage was only 1.6 as against 4.8 for the large factories.

8.8. *Subsidies*

Under this head, data were collected in respect of expenditure incurred by employers on providing various types of facilities and services for workers and other members of their families. The facilities listed were: medical and health care, canteens, restaurant and other food services, company housing, building fund, credit unions and other financial aid services, creches, educational services, cultural services (e.g., library, reading rooms, etc.), recreational services (i.e., clubs, theatres, cinemas, etc.), transport, sanitation (at-work-places), drinking water facilities, vacation homes, etc. The amounts recorded were net payments by the employers including depreciation, but not capital expenditure. In the course of the Pilot Survey, it was found that in most of the cases, employers either did not maintain any records separately for the above-mentioned items or expenses related not only to the persons falling within the scope of the Study but also to others. Consequently, the field staff were asked to obtain estimates from employers wherever separate statistics were not available. In case any expenses were incurred on workers covered by the Study as well as other employees, the amount was estimated for

¹ Relates to obligatory as well as non-obligatory social security items.

STATEMENT 8.5

Estimated Cost of Subsidies Per Man-day

(In Rupees)

Size	Medical and health care	Canteens	Restaurants and other food services	Company housing	Creches	Cultural services	Recreational services	Transport	Sanitation	Drinking water	Building funds, credit unions, educational services, vacation home and other services	Total	Estimated percentage of subsidies cost to total labour cost
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)	(xi)	(xii)	(xiii)	(xiv)
Large factories	*	0.01 (25.0)	—	*	—	*	*	—	0.02 (50.0)	0.01 (25.0)	*	0.04 (100.0)	1.0
Small factories	0.02 (20.0)	0.01 (10.0)	—	0.02 (20.0)	—	*	0.01 (10.0)	—	0.01 (10.0)	0.01 (10.0)	0.02 (20.0)	0.10 (100.0)	2.7
All factories	0.01 (20.0)	0.01 (20.0)	—	0.01 (20.0)	—	*	*	—	0.02 (40.0)	*	*	0.05 (100.0)	1.3

NOTE.—Figures in brackets are percentages to total.

NOTE.—Figures in brackets are percentages to total in column (xiii).

*Indicates that the expenses on the items were less than Re. 0.005.

workers covered by the Study on the basis of the proportion they formed to the total employees concerned. Statement 8.5 gives the cost of subsidies per man-day worked in the Agricultural Implements factories.

8.9. Other Payments Related to Labour Cost

Under this group, expenses incurred by the employers on items such as cost of recruitment, vacation home, recruitments examinations, etc., apprenticeship and training facilities and on the job of medical services (e.g., first-aid equipment, ambulance rooms) were included.

This group accounted for Re. 0.18 or 4.6 per cent. of the total labour cost per man-day worked in the country as a whole. The Survey results indicate that only two items of expenses prominently figured in this group and these related to (1) apprenticeship and training facilities and (2) on the job of medical services.

In large establishments, the percentage of expenses on these two items to total labour cost per man-day accounted for 6.3 as against only 0.3. in the case of small factories.

CHAPTER IX

SUMMARY OF CONCLUSIONS

The Agricultural Implements Industry as it exists at present in the country consists of three distinct sectors i.e., (i) artisan units, (ii) fabricators and (iii) foundries and is scattered throughout the country. Most of the establishments are on a small scale basis and located in rural areas. Large scale establishments are of relatively recent origin. Thousands of carpenters and blacksmiths who work in the rural areas and cater to the needs of agriculturists constitute the backbone of the industry. However, in the absence of any list of establishments where they work, the present Survey was confined to establishments registered under the Factories Act, 1948.

The available statistics show that there has been a more or less steady expansion of the industry since 1953. As against 220 registered factories with an average daily employment of 7,590 in 1953 there were 393 factories in 1959 with an average daily employment of 14,575 recording an increase of 79 per cent. in the number of factories and 92 per cent. in employment. In the course of the Survey data relating to composition of the working force in the industry was collected for a fixed date i.e., 31st December, 1959 from the sampled units. On the basis of the statistics collected it is estimated that on this date 16,751 workers were on the rolls of Agricultural Implements factories. More than 86 per cent. of the employees were "Production and Related Workers (including Supervisory)", and the remaining were (1) Clerical and Related Personnel (including Supervisory) (5.5 per cent.), (2) Watch and Ward and Other Services (4.6 per cent.), (3) Professional, Technical and Related Personnel (2.3 per cent.) and (4) Administrative, Executive, and Managerial personnel (1.2 per cent.).

The findings of the Survey reveal that almost the entire working force consisted of men. Child labour was found to be totally absent and the number of women was almost negligible.

In spite of the fact that nearly 24 per cent. of the factories employed workers through contractors the percentage of such workers was only 5 in the entire industry. The system of engaging contract labour was more common in Punjab than in any other State. Contract labour was employed only for some limited items of work such as moulding and casting. The proportion of contract labour was higher in smaller factories than in larger ones.

Though both the systems of payment were prevalent in the industry the predominant system was payment by time. About 83 per cent. of employees were time-rated and the rest were piece-rated. Data pertaining to employment status of 'production workers' directly employed collected in the course of the Survey reveal that 49 per cent. of these workers were permanent and the rest non-permanent, i.e., probationers (6.2 per cent.), temporary (28.2 per cent.), casual (6.0 per cent.) and apprentices (10.5 per cent.). The system of employing *badlis* was not in vogue in any of the sampled units.

It is estimated that 40 per cent. of directly employed production workers had less than 1 year's service to their credit on 31st December, 1959 and 32 per cent. had one or more but less than 5 years' service to their credit. Only 12.5 per cent. of workers had been in continuous service for 10 or more years. The proportion of workers with short length of service was much higher in smaller factories. To a certain extent short length of service of workers in the industry could be due to recent origin of many establishments but certain other factors were also found to be influencing it e.g., seasonal nature of work, uncertainties about supply of raw materials, lack of standardisation of wages, etc.

Data pertaining to labour turnover of directly employed production workers (excluding *badli* and casual) show that the average accession and separation rate in the industry during 1959 was 9 per cent. and 8 per cent. respectively. The labour force was fairly stable in large factories but not so in smaller ones. The annual accession and separation rates in small factories were 17.2 per cent. and 15.7 per cent. respectively i.e., nearly three times higher than in large factories.

Information on absenteeism was collected for the same group of workers as for labour turnover. The statistics show that the rate of absenteeism in the industry as a whole was 10.9 per cent. during 1959. The rate was the highest in April (14.2 per cent.) and the lowest in December (8.5 per cent.).

The usual practice followed by the majority of the Agricultural Implements factories was to recruit workers directly at the factory gate. The system of providing 'training and apprenticeship' was in vogue in 26.4 per cent. of the factories in the industry. Only a few large units had some regular scheme and in all others training was imparted only on an *ad-hoc* basis.

Except for Punjab, where minimum wages had been fixed under the Minimum Wages Act, 1948, everywhere wage rates and other emoluments were based on isolated negotiations between the individual employers and workers and in a few cases, on collective agreements or conciliation awards. Data collected on wage revision during the period 1956—60 indicate that there was no wage revision at all in 80.4 per cent. of the Agricultural Implements factories and in the remaining 19.6 per cent. wage revisions had been effected either due to voluntary decisions of the employers as a result of conciliation proceedings or collective agreements between employers and workers, etc.

The average daily earnings of a worker in the Agricultural Implements factories in the country was Rs. 3.41 in December, 1959. Similar figure for the group "Production and Related Workers" was Rs. 3.17. The average daily earnings of lowest paid workers were Rs. 1.73 in the case of those employed direct and Rs. 2.18 in the case of those engaged through contractors. The disparity was mostly due to the differences in the nature of work done by the two groups. Data collected on the earnings of clerical staff and watch and ward and other services indicate that on an average clerical and related workers including supervisory earned Rs. 4.99 a day, while those in the group 'watch and ward and other services' earned Rs. 2.13 per day.

Basic earnings, i.e., basic wage and dearness allowance, constituted almost the entire earnings of workers and accounted for 97.7 per cent. of

the total. The system of paying a separate dearness allowance, it is estimated, existed in only 14.5 per cent. of the factories most of whom were large factories. Of those paying dearness allowance in only about one-fourth it was paid to all employees and in about 13 per cent. the amount was linked to consumer price index numbers. Very few factories paid any other allowances.

The system of paying year-end or festival bonus was quite popular and it existed in nearly 28 per cent. of factories at the time of the Survey. Only in 35 per cent. of these factories bonus was being paid on the basis of agreements reached between workers and managements either through direct negotiations or in the course of conciliation proceedings. Elsewhere it was being paid at the discretion of the managements.

The system of imposing fines or making deductions for damages, etc., was not very much in vogue in the industry.

The information collected during the Survey indicates that all the establishments were respecting the law in the matter of hours of work, spread over and rest intervals. One-shift system predominated in the industry and was in vogue in nearly 90 per cent. of the factories. The factories reporting night shift accounted for only 3.9 per cent. The hours of work during night shifts were less than 6 in half the number of factories working night shift and in the rest they ranged between 7 and 8. In most of the factories night shift workers were being given free tea. There was a regular system of changeover of workers from one shift to another in more than 75 per cent. of the factories working night shift.

Processes creating dust hazards were noticed in nearly 34 per cent. of the factories and in all of them managements were found to have taken measures for suppressing the dust. However, supply of dust-mask was reported only in a few units which were of large size. Fumes were reported from only about 11 per cent. of factories and in all of them precautions were found to have been taken by the managements. The general house keeping in units (where the dusty processes existed) was on the whole found to be satisfactory. Lighting and ventilation arrangements in almost all the units surveyed were also found to be satisfactory.

Only 19.5 per cent. of the factories had made seating arrangements for those workers who were otherwise obliged to work in a standing position. Defaulting employers either pleaded ignorance of the law or defended their action on the ground of adverse effect on production.

In regard to such basic necessities as latrines and urinals the position was found to be more or less satisfactory in large factories but not so in smaller establishments. Nearly 25 per cent. of them had no latrines and a little less than half had no urinals. Sanitary conditions of privies generally left much to be desired, specially in small factories.

The findings of the Survey reveal that in only 65.3 per cent. of the Agricultural Implements factories, the workers were enjoying the benefit of the law concerning earned leave. Such a low percentage of factories complying with the provisions of the Factories Act, is largely due to a very high proportion of defaulters among smaller establishments. It was also observed during the course of the Survey that in some centres workers instead of being granted earned leave, were given cash payments *in lieu* of leave due to them, thereby defeating the very object of the paid annual

vacations. It is estimated that in the country as a whole such a practice was prevalent in 28.3 per cent. of the units. The practice was found to be quite common among sampled units of Punjab. As regards the proportion of workers who actually enjoyed the leave benefits, it is estimated that during 1959 about 64 per cent. of the total working force in the industry enjoyed the benefit of earned leave. The percentage was strikingly low in small factories in which only about 30 per cent. enjoyed the benefits as against 75 per cent. in large factories. In addition to the units covered by the Employees' State Insurance Scheme, about 10 per cent. of the factories had a system of granting sick leave with pay to some of their workers, i.e., usually clerical, technical and professional employees. The practice of allowing a casual leave with pay was prevalent in about 30 per cent. of the factories. As in the case of sick leave the benefit was available to only some types of employees.

There was a widespread practice of granting national and festival holidays with pay. At the time of the Survey about 90 per cent. of the factories were granting them. The number of days granted did not exceed 5 in 52 per cent. of the units and in the rest it was more than 5 days.

All the factories throughout the country were found to be complying with the provisions of the law in regard to grant of weekly off to their employees. Except for monthly rated employees such offs were without pay.

All the factories were found to have complied with the provisions of the law concerning drinking water facilities although there was considerable diversity in the type of arrangements made. Nearly 59 per cent. of the factories reported that they made special arrangements for the supply of cool water during summer months. Washing facilities were available in 66.2 per cent. and facilities for bathing existed in 22.2 per cent. of the factories in the industry.

Canteen facilities existed in 9 per cent. of the factories in the industry even though less than 3 per cent. were under a statutory obligation to provide them. In slightly more than half the number of units which had canteens, there were canteen managing committees having representation of workers. The usual items sold in the canteens were tea, coffee and snacks but nearly a third served meals as well.

The compliance with law, however, was not found to be as satisfactory in the case of rest shelters. Only one out of every three factories which were under statutory obligation to provide rest shelters, had actually done so.

Though nearly all the factories maintained first aid boxes the standard of compliance of the law in regard to contents and training of first aiders was found to be quite poor. All establishments employing more than 500 workers maintained ambulance rooms as required under the law.

There is no obligation on employers to provide other medical arrangements other than first-aid and ambulance rooms but a few maintained dispensaries and a number of small factories had made arrangements with local medical practitioners for rendering medical aid to their employees.

Very few Agricultural Implements factories in the country seem to have realised the importance of the recreational facilities for their employees. Only in 5 per cent. of the factories some arrangement had been made for

in-door and out-door games and cultural programmes such as celebration of Republic Day, Independence Day and *Ayudha Puja*. The expenses were met by the managements in most of the cases.

Even though provision of educational facilities is not compulsory for the factories, the Survey results indicate that only a very small percentage of the factories were running schools for the benefits of the children of the employees. No fees were being charged in these schools.

A negligible number of factories had grain shops or co-operative societies.

It is estimated that in the industry as a whole 28 per cent. of the factories had provided housing facilities to their employees and about 3 per cent. of the total workers had been housed by managements. Most of the houses were one-room tenements. About 78 per cent. of the factories providing houses did not charge any rent.

Data collected during the Survey indicate that provident funds existed only in one-third of the factories in the industry. The low percentage is obviously due to the fact that most of the factories employed less than 30 workers and thus did not come under the Employees' Provident Fund Act. Nearly 37 per cent. of the workers were members of the funds. With the exception of a few Government owned factories in U.P. and Andhra Pradesh, no factory was found to be having any pension scheme. However, it is estimated that about 7 per cent. of factories had a system of paying gratuity on death, retrenchment or resignation of the workers.

Information collected on the trade unionism indicates that trade unions existed in roughly 49 per cent. of the Agricultural Implements factories and nearly 43 per cent. of workers were members of unions. Among large factories, every 3 out of 4 units had trade unions whereas in small factories the percentage was only 39. The main activities of the trade unions were generally restricted to securing of claims of the workers under various labour laws. Very few unions had undertaken other activities such as relief to distressed members, adult education, welfare and recreation. Recognition was accorded to the unions only in 19.2 per cent. of the factories in the industry. Collective agreements on certain important items such as wages, payment of bonus, gratuity, etc., were reported in only 9 per cent. of the factories in the industry. Standing Orders had been framed in 16 per cent. of the factories in the country. Among large factories, the percentage having standing orders was 54 while it was only about 3 in the case of small factories.

Such of the few factories which were under a statutory obligation to appoint Labour/Welfare Officers had complied with the provision of the law. Very few factories (7.4 per cent.) had Works or Joint Committees and almost none had any definite procedure for the redressal of grievances.

Data pertaining to labour cost collected in respect of workers receiving less than Rs. 400 show that in 1959 the cost per manday in the industry was Rs. 3.93. Of the sum, "wages" element, i.e. basic wage, dearness allowance and incentives, alone accounted for about 81 per cent. Other important elements were bonus (4.8%), social security (1%) and on-the-job medical services as well as apprenticeship and training (4.6%). The labour cost per manday worked was nearly 6 per cent. higher in large factories being Rs. 3.99 as against Rs. 3.76 in small factories.

APPENDIX I

A Brief Note on the Sample Design and the Method of Estimation Adopted

1. Sample Design

For the Survey of Labour Conditions, a stratified sampling design with industry as a stratum, with further regional strata for those industries which were found to be highly concentrated in particular regions or areas, was followed. The registered factories belonging to those industries for which regional stratification was found necessary were stratified and each centre or area of high concentration was taken as a separate regional stratum of the industry and the remaining scattered factories were clubbed together into a single Residual Stratum. Units in each industry/regional stratum were divided into two size-groups i.e., upper and lower. The cut-off point used for the classification of units into two size-groups was the same as used for the Wage Census conducted by the Bureau in 1958-59. However, in the case of this industry there was no regional stratification and sample units were selected from the All-India list.

In regard to sample size, it was thought that a sample of 25 per cent. from the upper size-group and $12\frac{1}{2}$ per cent. from the lower size-group would yield reasonably good results. However, the experience of earlier Surveys had shown that in view of non-availability of up-to-date frames, quite a large number of sampled establishments were found to have ceased functioning or to have changed the line of production when they were visited. In order to safeguard against undue shrinkage of the sample size due to such contingencies, it was decided to enlarge the sample size suitably in the light of the experience of the Wage Census conducted by the Bureau and on the basis of a study of closures of establishments in the past few years as revealed from the annual list of registered factories. In the case of Agricultural Implements factories, the sampling fraction, thus, ultimately adopted was 33.33 per cent. for upper-size factories. In the case of lower-size it was 20 per cent.

The primary sampling units, namely registered factories, mines or plantations within an industry/regional stratum were arranged by contiguous States and within each State by contiguous districts in a serpentine fashion so that districts form a continuous chain from one State to another. Having arranged the list of units in the above manner, the units above the optimum cut-off point were taken in the upper-size class and the rest in the lower-size class. From these size-groups, the required number of units were selected by systematic sampling with a random start. The frame on the basis of which the sample was selected in the case of Agricultural Implements factories was the list of Registered Factories for the year 1958.

2. Method of Estimation

In the course of this Survey, various characteristics were studied, some of which were correlated with employment whereas there were others which were not so correlated. Consequently, slightly different methods were used for working out estimates for these two cases. For estimating the totals of those characteristics which are highly correlated with employment such as absenteeism, labour turnover, earnings, labour cost, size of employment was used as the blowing-up factor. On the other hand, for estimating the totals

of those characteristics which are not directly correlated with employment such as, daily hours of work, units levying fines, etc., number of units was used as the blowing-up factor. Estimates of percentages have been arrived at by computing in each case the ratio of the estimates of the totals for the two characteristics involved.

More precisely, the estimates for the total (for all-India) of a particular characteristic not correlated with employment in the industry has been obtained as

$$X = \frac{N_u - N'_u}{n_u - n'_u} \sum_i X_{iu} + \frac{N_l - N'_l}{n_l - n'_l} \sum_i X_{il} \quad \dots \quad (1)$$

The summation extending over all the units in the industry.

Where X = the estimated total of the X characteristic for the industry:

- N_u and N_l = the number of units in the original population as featuring in the 1958 list, which was used as frames, in the upper and lower size-groups respectively of the industry.
- N'_u and N'_l = the number of units which featured in the 1958 list but were not featuring in the list relating to the period more or less coinciding with the period of the Survey in the upper and lower size-groups respectively of the industry.
- n_u and n_l = the total number of units in the sample (from 1958 list) in the upper and lower size-groups respectively of the industry.
- n'_u and n'_l = the number of sampled units, which were found at the time of the Survey to be closed or to have changed the line of production and hence left out in the upper and lower size-groups respectively of the industry.
- X_{iu} and X_{il} = the total of the characteristic X in the i -th sample unit of the upper and lower size-groups respectively of the industry concerned.

In the industry the estimate for the characteristic Y correlated with employment is given by

$$Y = \frac{EN_u - N'_u}{En_u - n'_u} \sum_i Y_{iu} + \frac{EN_l - N'_l}{En_l - n'_l} \sum_i Y_{il} \quad \dots \quad (2)$$

The summation extending over all units in the industry.

Where Y = the estimated total of the characteristic Y for the industry.

$EN_u - N'_u$ and $EN_l - N'_l$ = the total employment in 1958 in the $N_u - N'_u$ and $N_l - N'_l$ units respectively of the industry.

$En_u - n'_u$ and $En_l - n'_l$ = the total, employment in 1958 in $n_u - n'_u$ and $n_l - n'_l$ sampled units respectively of the industry.

Y_{iu} and Y_{il} = the total of the characteristic Y in the i -th sampled unit of the upper and lower size-groups respectively of the industry.

